

COMPUTERISATION OF MOTOR INSURANCE:

A CASE STUDY OF NICON INSURANCE PLC, MINNA

BY

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APPROVAL SHEET

This project has been examined and found acceptable in fulfilment of the requirement for the award of post-graduate diploma in computer science, Federal University of Technology, Minna.

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CERTIFICATION

I hereby certify that this project work was carried out by **Ajetunmobi Nurudeen Adewale** to meet the requirement for the award of post-graduate diploma in computer science of Federal University of Technolog, Minna.

DEDICATION

This project is dedicated to Engr. Kabiru Adewale Shotobi, the Chairman\Chief Executive of KADESH Groups of Companies and all those who contributed in one way or the other to the successful completion of this project work.

ACKNOWLEDGEMENT

Most importantly, I thank God Almighty Allah for His divine love and protection over my life before, during and after the completion of this project; may He direct me to the ways of those whom he has shown his favour and not to those whom has gone astrayed (Amen).

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ABSTRACT

This project is centred on the computerization of Motor Insurance of NICON Plc by employing diverse facilities offered by Database Management System. The activities of Motor insurance of NICON Plc was performed manually before the advent of electric system (computer). The characteristics of both the manual system and the new database management system were carefully studied.

The result of this comparison shows the reasons why the database management system is generally preferred to manual system.

The program is written in base (iv) to carry out the following operations:

- (a) To calculate the General premium of Motor Insurance System of NICON Insurance Plc.
- (b) To calculate the Premium paid yearly by the (Insured) the clients, to the (Insurer) NInsurance Plc.
- (c) For effective calculation discount accrues to the (Insured) the clients, for Accident (CF) at the subsequent year.

Finally, the findings in the work shows the clear view of the security and control procedure database management system, and enables the insurance staff to write a report based on their opinions.

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CHAPTER ONE

1.0 INTRODUCTION

Insurance is the modern man's means of protecting himself against losses. It is the device by which man is able to protect himself against risks. In other words, Insurance is the system where an insurance company upon the receipt of a certain amount of money from a person agrees to pay compensation or render certain services to that person, if, and whenever that person suffers the kind of loss that was specified in the insurance agreement. What this means is that insurance is the means by which people can save money to take care of unforeseen danger and accidents.

When a person agrees to take insurance policy to protect himself against certain accident, he will pay a sum of money (which is called Premium) to the Insurance company. Once the Insurance company (who is called the insurer) accepts the Premium from the person who intend to take insurance cover (such a person is called insured), the insurer has thus agreed to pay an amount of money (called claims or compensation) to the insured whenever the insured loss occurs. This agreement is usually contained in a document called Insurance Policy.

We often wonder how an insurer will be able to pay whenever we suffer the loss against which we had insured.

An Insurance company is able to pay because there are usually very many people who will insure themselves against the

very same risk. At any given time, only a proportion of such people will suffer the loss, so the Insurance company is able to pay compensation to those who suffered the loss. At another time the loss may be suffered by a different set of people. Thus, at any given time, the capacity of the Insurance company to pay claims remains as constant as its "relative might" as at the volume of its operations. This is about the same thing that is referred to when we define insurance as the "Pooling of risks" or the process by which an insurer protects an individual against his own losses by spreading the loss over others who have yet not suffered the loss. Premiums, that is the cost of purchasing an Insurance, are not fixed arbitrarily. They are usually properly calculated by Insurance experts, mathematicians called actuaries. A high risk usually attracts high premiums. For instance, if a 20 years old is taking a life insurance policy, the premium will be much less than that of an 80 years old who insists on taking life insurance policy! The premium a pilot will pay will be much higher than that of a teacher for a life policy.

1.1 DEVELOPMENT OF COMPUTER

A computer can be defined as an electronic device that simply accepts an input of some data, stores the data, manipulates it, selects alternative paths of manipulation and then produces the desired information on an output device. Computers are capable of performing large numbers of operations at very high speeds

switches. It generates so much heat. It could perform multiplication of two numbers in 3 milli-seconds.

In 1940 Dr. John Newman, a Hungarian Immigrant who was a university of Pennsylvania pioneer developed the store program concept of reading programs into the computer memory for processing.

Essentially, there are three types of computers:

The Digital computers, Analog computers and the Hybrid computers. The digital computers performs arithmetic operation and access logical decisions according to the instructions coded to it in advance. The name digital computer comes from digit, a word that means a single number symbol, numbers and letters are represented as digits. Analog computers performs its operation by measuring and comparing or relating physical phenomena or changes and variables in the form of mathematical equation in some notable quantities. They are used for a wide variety of industrial and scientific applications that requires the processing of data are measured continuously. Analog computers measure towards their answers, while digital computers count to their results.

Hybrid computers are the combination of digital and analog computer. Hybrid computers are powerful computing devices and as such they are mostly used to solve rather sophisticated problems such as those from the studies of process control and

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Hybrid computers are the combination of digital and analog computer. Hybrid computers are powerful computing devices and as such they are mostly used to solve rather sophisticated problems such as those from the studies of process control and

optimization, and any physical, ordinary or positive differentiation.

Computers can also be classified as GENERAL PURPOSE or SPECIAL PURPOSE COMPUTERS.

General-purpose computers can be used for many purposes. They are designed not specifically for specific jobs, for example, it may be used for playing games, for handling payroll computation, to use graphics to design building or to solve complex mathematical problems.

A special purpose computer is designed for only one purpose it is also designed to carry out specific tasks.

The basic components of any computer are the input unit, central processing unit (CPU) and the output.

The most important component of computer is CPU.

CENTRAL PROCESSING UNIT: This unit is the most complex and powerful of a computer system, the CPU can store data temporarily. It can also perform operations on those data. It comprises of three major units, the control unit, the arithmetic\logic unit and primary storage unit. the CPU direct processor activities for the various devices that are attached to it. As the cerebellum is to brain, so is the CPU to the computer. It consists of three functional sub-units.

(A) **Control Unit:-** The control unit is in charge of the activities of the CPU. It does not process or store data itself, but instruct various parts of the computer in performing these tasks, instruction given to the computer by the users are interpreted by the control unit which then signals out to the circuits within CPU to execute these instruction. The appropriate input devices are directed to send the user supplied data to the computer.

The control unit also keeps track of which parts of a program which have been executed and which ones remains to be executed finally, it collects the output and send it to the designated input device, such as a terminal screen or printer.

(B) **ARITHMETIC AND LOGIC UNIT (ALU):-** This unit performs three basic functions of data transfer, Arithmetic calculation and decision making. The Arithmetic unit process for the simplest arithmetic calculations, logic operations involves ability to compare two qualities or things and determine if they are equal, and if unequal, which one is greater?

(C) **PRIMARY STORAGE UNIT:-** This is often called memory, receives data, holds the data without loss and such data can be retrieved when accessed from the CPU for processing.

INPUT UNIT

These are devices in simple language that helps gain entrance into the CPU of the computer i.e data is transferred into the CPU

The arrows indicate the direction of flow for data value and information.

Every business is concerned with processing information or data about its operations in order to provide current and accurate information to management. The depth accuracy and correctness of factual information at the disposal of management can provide a business with a substantial edge over its source competitions (Fouri, 1977).

Over the years, there has been an increased in the amount of data to be processed in shorter time and this necessitated faster, cheaper, more efficient and reliable methods of processing information. Difference automated devices were developed and introduced in order to satisfy the needs in the business environment. The most significant one being the electronic computer.

Virtually all business have felt the impact of the electronic computer in one way or the other. Computers are used to calculate the chemical composition of petroleum products, amount of current flowing through an electric conductor. If computer had not been developed, for example, American astronauts would have been unable to land on the moon. Computers have radically altered the world of business, it have affected military strategies, increased human productivity, made

many products less expensive, and opened new horizons to the medicine and social sciences, one of which is "INSURANCE".

A recent development in the 1990"s the Nigerian Insurance industry is the quest for computerizing the operations of the industry. It is believed that computerizing will enhance timely accumulation of data (Roberts 1979). Increase of the number of companies, increased the quest for computerization by insurance companies to gain competitive advantage over their contemporaries.

1.2 OBJECTIVES OF THE PROPOSED STUDY

This work is centred on the computerization of Motor Insurance (A case study of NICON Insurance, Minna) with the specific objectives of making the operations easier, faster and timely. Consequently, the availability of information for decision making is enhanced as well as saving customer's time.

1.3 JUSTIFICATION OF THE STUDY

It is common knowledge that quantitative analysis over the past few years has been enhanced through the use of electronic computers. Problems, which were once textbook example, can now be solved using calculator which ranges from small wallet sizes to desktop. In a complex setting like insurance companies several individual steps and endless man-hours are achieved in a matter of minutes. The system performs the computation and

displays the result immediately in graphic or in any one of the several standard media.

The amount of data to be processed is usually voluminous, and transactions should be posted up-to-date, if posted in several months behind schedule, decisions, which should be made now, are postponed until a future date. By such delay, data loses its decision usefulness.

With the introduction of computers, one of the greatest problem "confronting the insurance world which is timely accumulation of data is adequately taken care of".

Also, with proper programming and use of identification codes, frauds are easy to detect and perpetrators detected.

By and large, the problems associated with computerization and those associated with cost and dependence on the system are outweighed by the advantage.

1.4 HISTORICAL BACKGROUND OF NICON INSURANCE PLC.

NICON Insurance Plc. is fully owned by the Federal Government of Nigeria. The company was established by Decree No. 22 of 1969 as amended in section 4 of the Decree with the main objective of assisting in the development of insurance industry in Nigeria specifically to ensure that Federal Government assets and property are fully protected by way of insurance. Investment in the Corporation is secured and backed

by the "Federal Might". The company, which is now, the leading insurance companies in Nigeria. Indeed the company controls about 55 per cent of the entire insurance business in Nigeria, and ranks among the largest insurance firms in all of Africa.

In 1995, it generated a gross premium income of #9.96b and a profit after tax of #871m. These figures improved remarkably in 1996 to a gross income of #10,831b and a profit after tax of #1.99b. It has over 52 branches all over Nigeria and in London. The corporation leads the entire Nigeria insurance market in such personal line insurance as life, motor, personal accident, in addition to the comparative advantage it wields in the insurance of aviation, marine, oil and other special risks. It is widely invested in the domestic economy. With over 1,000 employees, the corporation is one of the single largest employers of labour in the finance sector of the nations economy. Its contributed to the socio-economic stability of the nation are by more than what a private or privatized institution will ever achieve for the nation.

The company accepts inward re-insurance from companies all over the world. On the international scene, the company is well recognized and through its London office is able to keep a breast of development in the international market. Furthermore, arrangement is on top gear to establish full under-writing offices in the U.K and other African countries. For thirty years, the corporation has played a very significant role in the growth and

development of Nigerian insurance markets, as well as standardized it.

The insurance company has several operations, which are carried out by departmental units. The internal organization of motor insurance is a function of size and complexity. Typically, the Nigerian insurance companies are organized in broad categories by product, by function and territory. In NICON, activities within these categories are grouped together into 5 main departments:

- (1) Claims department
- (2) Under-writing department
- (3) Accounts department
- (4) Administrative department
- (5) Marketing department

CLAIMS DEPARTMENT: Essentially, the department is concerned with adjustment and processing of payment.

UNDER-WRITING DEPARTMENT: This department function mainly is that of risk assessment. The function is to select the risk for insurance and to determine in what amounts and on what terms the insurance company will accept the risk.

ACCOUNTS DEPARTMENT: The job of this department is to control the company's finances. Income in form of premium and investment earnings expenses of running the

CHAPTER TWO

LITERATURE REVIEW

2.0 THE ORIGIN OF INSURANCE

Insurance is believed to have originated from the ancient practices of the inhabitants of the valleys of Rivers Tigris and Euphrates in the present day of Iraq in about in about 4,000 BC. Historian's report that by 1800 BC, the Babylonian code of Hammunabi contained provisions, which had elements of had elements of insurance in the laws that governed their commerce. In 1600 BC, the practice of insurance was said to have spread from Babylon to Phoenicia it was adapted to sea traffic. Later, by 1000 BC, it spread to Rhodes and Greece where it assumed the present maritime form, spread to Rome at about 600 BC to 500 BC.

How did it start in Babylon? History has it that it began with what was referred to as the "Bottomry Contracts" which were operated by Babylonian merchants between 4000 and 3000 BC, just as it had spread to Greece and Rome around the same time. Bottomry was a system by which loans were granted to merchants and such merchants (borrowers) were given a protection or a guarantee that if the shipment for which loan was obtained was lost at sea, the loan did not have to be repaid. The cost of getting such protection was usually included in the

interest that was charged on the loan, which was usually higher than those that were charged on ordinary loans. Bottomry was otherwise called respondential bounds.

Bottomry was more specifically used to refer to loans (with protection) on vessels with respondential was used for protection of cargo. Either the cargo or the vessel was usually pledge as collateral for the loan. If the ship arrived safety the borrower would pay back the loan with interest; if it has lost at sea, the loan would be written-off. In Rome, by the 3rd Century AD, life insurance had been well developed. In the traditional Roman Society, burial societies were formed which usually bore the funeral costs of their members from the monthly dues of members. This was very similar to the "ESUSU SYSTEM" in the ancient western Nigeria and "AGE GRADE SYSTEM" in the Eastern Nigeria.

The earliest trace of interest in modern insurance in England in dates to 1666 when London was revealed by what was later know as the Great fire of London. By 1711, many ill-formed insurance companies had sprung up in London most of them fizzled out due to their rampant fraudulent practices, only two companies stood out clearly among others. They were the London Assurance Corporation and The Royal Exchange Assurance Corporation. These two brought in era of real professionalism in the conduct of insurance business in England. The Lloyd's of London occupies the central position in today's

global insurance market. It started as a small coffeehouse, which was patronized by merchant's bankers, and insurance underwriters. Gradually, it became the right and most popular place to go whenever anyone needed an insurance underwriter, known as Edward Lloyd's place (later as the Lloyd's), the center provided information in shipping. It was later in 1763 recognized as a formal group of underwriters in marine insurance. At that time, the word under-writers came into use to refer to anyone who appends or signs his name under the proportion, size or amount of risk which he was prepared to accept at a specified premium. Originally, Lloyd's was the world's dominant insurer of marine risks. This was due to the rising sea power of Britain in maritime. Later, this was extended to cover fire and other property risks, which were added to the risks under-written at Lloyd's, member under-writers are engaged in both re-insurance and primary insurance. They accept insurance on their own account and bear the full risk.

The British merchants at the beginning introduced modern insurance in Nigeria at the beginning of the 20th Century. This was necessitated by the increased activities of the British trading companies, including the Royal Niger Company, Paterson Zochonis (PZ), and Elder Dempster, who dominated commerce in Nigeria. For convenience, insurance companies in the United Kingdom decided to grant insurance license to the trading companies, expatriates and banks. Thus, the trading companies,

expatriates and banks put together agency companies which began to handle the insurance of the trading locally. Such agencies were empowered as chief agents to issue covers and to handle claims. They were concerned mainly with marine insurance especially of export of cash crops, minerals, etc. Evidently, the first of such agencies was the Royal Exchange Assurance Agency which was formed in 1919 by the Africa, and East Trading Companies, other agencies were the Liverpool London and Globe (of Paterson Zochonis), etc. These agencies merely organized cover for European trading companies with insurance companies in the agencies home countries. Later, the companies appointed expatriate banks and traders as insurance in the agents in Nigeria. Again, the insurance companies gave the chief agents and Nigerian traders' powers of attorney to secure insurance business, issue cover note and assist in claims settlement. This was the situation until British insurance companies began to open branches offices in Nigeria. The Royal Assurance Agency was raised to full-fledged branch office of the Royal Exchange Assurance Company in 1921. This was, till today, REAA is regarded as the first insurance company in Nigeria. Almost 30 years passed before three other British insurance companies opened their branch offices in the country. The three companies were the Norwich Union Fire Insurance Society (now known as Guinea Insurance Company Limited), The Tobacco Insurance Company Limited and The Legal and

General Insurance Society Limited. The advent of the second world war brought a lull to trading in Europe and Africa, and invariably affected the pace of the development of insurance in Nigeria between 1921 and 1949. As soon as the 2nd world war ended, the business picked up again, and the insurance industry resumed its growth process.

By 1959, the Federal Government's interest in insurance had so increased that it formed a major subject in the Federal House of Representatives which extensively considered the need for the Government to explore the vast economic potential of insurance as a major income earner to the emerging independent state, these debate led to creation of "NICON INSURANCE PLC," IN 1969.

2.1 MOTOR VEHICLES AND EVOLUTION OF MOTOR INSURANCE

The life and trade of all kinds before the industrial revolution were dependent upon animal transport and waterways. But the rapid progress industrialization and other spheres of activity in the last century have been made possible by developments in internal combustion engines and self-propelled mechanical transport. The steamship, railway, other mechanically propelled road vehicle, and aircraft, telegraph, cable and telex have annihilated distance and made accessible places which were hitherto unexplored. This has broadened the horizon of the

individual in respect of world relations. As industrialization programs are pursued many new risks came into play. Life and property have become subject to increased risks with the consequent demand for the shifting of this burden, which demand insurance world has not been slow to meet.

With the appearance of the mechanically propelled vehicle on the scene, there comes into the press news about several people either, killed or maimed through motor accident victims were unable to obtain financial redress from the negligent motorist. As a result of the social problems generated by the use of motor vehicles, many nations were forced to pass laws, which imposed statutory obligation on the users of all motor vehicle to provide security against their liability for death or injury caused to others.

In 1903, "THE British Motor ACT" was passed with the aim of bringing in organization and respectability in the usage of motor cars. The act provided for:

- (1) Penalties of reckless or negligent driving;
- (2) Registration of cars;
- (3) Licensing of cars;
- (4) A speed limit of 20-m.p.h. and in certain areas of 10-m.p.h.

These regulations aimed at protecting the public. But they did not meet the satisfaction of the public who continued to regard the motor cars as a monster on the road. There were,

public protest against the use of motor cars, for “the parents whose children had been run over, the cottage’s who found their roadside gardens ruined, the pedestrians deprived of all enjoyment in their Sunday promenade, the administrators responsible for the rising cost of road maintenance, all cursed the swarms of rushing motor cars that infested the great arteries of traffic”.

The concern to protect the public against motor accident had never stopped. In England, as at now, the laws requires that all motor vehicles used on the highway, there must be at least the following:

‘ A policy of insurance for third party risk together with certificate of insurance or a security with certificate of insurance;

- (i) A driving license;
- (ii) A vehicle license; and
- (iii) A registration book.

There was rapid increased in the number of vehicles on the roads, after the first world war therefore there was a corresponding increase in road accidents. However, after the 2nd world war the “MOTOR INSURER’S BUREAU” was formed in 1946 in response to Cassel Report to deal with motor accident cases where insurers fails to compensate for death and injuries due to one reason or the other.

Motor vehicle was unknown in West Africa until the early part of the century. Human portage and waterways were the

means of transportation. Cars began to appear in West Africa in early part of the twenties, vehicle population had increased tremendously; a traffic congestion is a common sense in almost all cities in almost all cities in West Africa. The increased in numbers of vehicles had also brought about numerous road accidents. Consequently, victims of motor accidents were often unable to get financial compensation even in cases where judgements against the negligent motorists had been obtained, as most of the motorists were impecunious.

It was to the advantage of West Africa the idea of compulsory insurance was embraced quite early in the history of motor transport. British Legislation on compulsory insurance was extended to the then four colonies: Gambia, Ghana, Sierra-Leone and Nigeria.

The provisions of these statutes were almost identical having their origin from British Legislation on the subject. In each case it was compulsory that any person who uses or causes or permits the use of a motor vehicles to have in force on insurance to cover use of motor vehicle to have force on insurance to cover his legal liability in respect of death of or bodily injury to a third party arising out of the use of the vehicle.

The scope of the present compulsory insurance in West Africa does not afford compensation in certain circumstances *in* certain circumstances. A victim of motor accident cannot claim under the "ACTS" in cases where:

- (i) There is a breach of policy condition
- (ii) There is no insurance covering the vehicles
- (iii) "Hit and run" cases
- (iv) An insurer becomes insolvent.

2.3 SCOPE OF MOTOR INSURANCE OPERATION

A motor insurance policy is a document containing a pledge by the insurer that they will indemnify the insured against loss or damage, which may be incurred at some future time. Motor vehicle insurance is the single largest sub-class under general business or non-life insurance. As required by legislation in Nigeria, motor insurance offers a wide range of covers. This range from basic act only to full comprehensive insurance cover.

Motor insurance can then be defined as the business of transferring the risk of motor vehicle by means of a contract. This contract by nature must have all the elements in order to be binding on both parties to the contract; the insurance and the insured. These elements are offer, acceptance and consideration, which are represented by the completion of an application, the insurance of the policy and the payment of the premium respectively.

In terms of entities that carry on a motor vehicle insurance operation in Nigeria, the insurance Decree of 1976 clearly states that:

No person or entity shall carry on any class of insurance business in Nigeria except a company only registered as a limited liability under or pursuant to the company's decree of 1968.

A co-operative insurance society registered under any enactment or law relating to co-operative societies or

A mutual insurance company.

The ability to pay dividends to the stockholders after the payment of claims and expenses and additions to surplus or reserves as the case may be is one of the primary goals of the case insurance companies. Therefore the management of each motor vehicle insurance company has a dual responsibility namely:

- (i.) Responsibility to manage the policyholders funds in such a manner as to be able to pay claims when they arise;
- (ii.) To earn adequate return on the shareholders investment in the firm;

The different classes of motor insurance offered by the organization includes:

1. **ACT ONLY COVER:** Provides cover up to the basic requirement of the Nigerian Road Traffic Act. This is, to provide insurance in respect of legal liability to pay damages arising out of personal injury to third party only.
2. **THIRD PARTY ONLY COVER:** Provides for liabilities which the insured may incurred in respect of legal liability arising out of third party personal injury and out of third party damage.

3. **THIRD PARTY FIRE AND THEFT ONLY COVER:** Offer cover for third party liability, fire and theft. It does not cover own damage, that is, damage to the insured's own vehicle. The premium chargeable for this type of cover is 50 per cent, that is, half of the comprehensive premium that would be due.
4. **COMPREHENSIVE POLICY:** Covers own damage, third party liability, fire and theft.

Motor insurance is divided into various classes including private cars; commercial vehicle; motorcycle; and special motor vehicle insurance.

Private car insurance relates to private cars that are used for social and domestic purposes and or business purposes.

Comprehensive policy issued to individuals also includes personal accident benefits to the insured and his spouse, medical expenses and loss or damage to rugs, clothing and personal effects.

Commercial vehicle policies are obtained for vehicles, which are used for commercial purposes. Such vehicles are lorries, taxis, vans, hire-cars, milk-vans, police cars, etc.

Motorcycle policies are not expensive as those of motor cars, motor trade insurance is offered to garages and other people who work within the motor trade to ensure that their liabilities are covered while using vehicle on the road. Damage to vehicles in garages and showrooms can be included under such policies.

Special motor vehicles are normally written for land vehicles other than railway rolling stock. They include forklift trucks, mobile cranes, bulldozers and excavators. Such vehicles may not travel on road as building sites and other private ground, where special type vehicles are not used on roads, they are transported from site to site and it is more appropriate to insure the liability under a public liability policy because the vehicle is being used as a "tool of trade" rather than as a motor vehicle.

In the event of occurrence likely to lead to a claim under a policy, there are certain implied or unwritten duties and a policy, there are certain implied or unwritten duties and certain express or written duties imposed on the insured.

Implied Duties: It is a requirement of the law that insured should always act as a reasonable person and he should therefore take all reasonable steps to minimize his loss. If the police or fire brigades are involved with the loss, the insured must not hinder their activities in connection with minimizing the loss.

Express Duties: Almost all policies require the insurer to be immediately notified of any event, which could give rise to a claim under the policy. In most of the policies, it is very condition under which it is also required of the insured to provide full particulars within a stipulated period, usually 30 days. It is essential that insurer be notified as soon as possible in order that a full investigation of the circumstances can be made. If this is not

done with dispatch, certain evidence may be available or witnesses recall of the incident may have become muddled.

2.3 THE ECOWAS BROWN CARD SCHEME

The protocol, which established the brown card, was signed on May 29, 1982 at Cotonou, Republic of Benin. In line with decisions of the Economic Community of West African States (ECOWAS) and the council of bureaus, the Federal Government of Nigeria in August 1984 appoints NICON Insurance Corporation to serve as the national bureau for the scheme, the scheme begins operation in 1986. The ECOWAS Brown Card seeks to establish at Government level, security to cover third party liability that arise from the use of motor vehicle which liability is required to be insured against by the laws of the countries being visited in the West African Sub-region. Notwithstanding the terms of the insurance policy under which a brown card is issued, the card is deemed to cover all the indemnities or guarantees required by the laws or regulations governing compulsory motor vehicle insurance in the country being visited. Any limitations contained in the policy will be effective, if the laws of the country being visited permit such conditions or limitations.

Thus, a Nigerian motorist travelling to the Republic of Benin will have to obtain a Brown Card from an insurance company in Nigeria to cover unlimited liability for personal

injuries and property damage arising from the use of his motor vehicle while in Benin Republic, since insurance against these liabilities are made compulsory under the law of Benin Republic.

Claims Handling and settlement: The scheme also attempts to lay down a common system a common system of settlement of claims arising from the risks under reference. Since one of the objectives of the ECOWAS Brown Card is the need to ensure promptness in the settlement of claims, the policy holder or bearer of the brown card is required upon the occurrence of a motor accident in which he is involved, to give notice to the national bureau of the country in which the accident occurred. The national bureau, as the handling bureau, will then proceed to investigate the circumstances of the accident and in doing so, shall act in the best interest of the national bureau and particularly under-writer who has issued the card. Note should be taken of the fact that the national bureau will only entertain the claim provided the brown card protocol has been ratified by the country of origin of the motorist and the scheme is fully in force there, individual motor insurers besides issuing the brown card to their customers shall not be involved directly in claims settlement since function will be handled on their behalf by the national bureau.

Use: Any motorist with a valid motor insurance policy covering the vehicle to be purchased and issued for a vehicle for a period ranging from one day up to a maximum of three months at one stretch.

Premium: Sometimes at the discretion of the insurer, the premium charged depends on the type of the vehicle; cover required and length of time. For example, for private cars (comprehensive cover), 20 per cent of annual premium for a period up to one month and 30 percent of annual premium for period up to one month and 30 per cent of annual premium, for a period above one month up to three months. For a private cars (third party only cover) #450.00 for up to one month and #500.00 for period above one month. For a commercial vehicles (comprehensive cover) 30 per cent of annual premium for a period up to one month and 60 per cent of annual premium for a period above one month. For a commercial vehicle (third party only cover), #500.00 minimum for period up to one month, #600.00 maximum period of three months. For motorcycles (comprehensive cover), 20 per cent of annual premium for the minimum period and 30 per cent of annual premium for any period above one month up to three month. For motorcycles (third party only cover), #225.00 for one day up to one month, and #250.00 for any period above one month up to three months.

Source of Supply: Insurers get supply: Insurers get supplies from the national bureau. In case of NICON, motor department headquarters gets supplies from the bureau and distributes to other branches of the corporation that make demands.

Contents: The certificate is usually printed in a booklet of 25 certificate, each of which contains five copies (that is, original and duplicates). When issued, the original to the insured, two copies go to the national bureau, a copy goes the policy life while the last copy is retained in the booklet. Periodic for beaux are issued and forwarded to the national bureau by the issuers, on each certificates sold. The information on each certificate includes certificate number, name and address of the insured, period of stay and cover, make of vehicle, registration number, engine and chassis number, policy number, name and address of the insurer, signature and seal of approved insurer, signature of insured and driver, as well as country of visit.

2.4 THE ROLE OF INSURANCE IN THE NIGERIA ECONOMY

One of the indices for measuring the development of an economy is the size and maturity of its industry. This is because the insurance industry plays a very important role in the mobilization of utilization of inevitable resources in an economy.

It also acts as the absorber of the risks and absence of a market for which can greatly reduce the growth of economy activity.

The relevance of the insurance industry is even more evident in such less-developed economies as Nigeria where the financial system is not very sophisticated and where there is lack of basic infrastructures required to aid the growth of the economy. This gives rise to the dependence of these economies on those of the developed countries with the attendant leakage forming negative impact on the less developed countries' balance of payments. In Nigeria, prior to the mid-seventies foreign insurance companies dominated the insurance industry. This meant that the premium paid for insurance placed with these companies were transmitted overseas, thus putting so much pressure on the country's balance of payments, with the indigenization of the insurance industry in the seventies and promulgation of the insurance decree of 1976, the activities of the industry were streamlined to enable it to have enough retention capacity and thereby to play a critical role in the development of the economy. Since then, the industry has been playing a very useful role in the economy, most notably in the areas highlighted below:

- (1). Reduction in the outflow of resources from the country through the retention of insurance and re-insurance premiums within the economy, with a consequent positive effect on the country's balance of payments.

- (2). Development of capital market: The insurance industry constitutes one of the major institutional investors in the capital market, thereby providing a channel for the sourcing of funds by both the public and private sectors of the economy.
- (3). Cultivating insurance consciousness: The advent of an organized insurance industry and activities of its members have greatly improved the cultivation of insurance consciousness among business houses and individuals. This has reduced the level of risk, which generally encouraged enterprises and therefore enhances the growth of the economy.
- (4). Direct equity and loan investment in industrial enterprises: The industry is a major catalyst in the development of large industrial undertakings which highly capital intensive.
- (5). Mobilization of savings: The activities of the industry particularly life assurance business have encouraged the mobilization of savings which otherwise may have been chanelled to any productive use. Such mobilized savings constitute an important source of long-term investible funds in the economy.

CHAPTER THREE

SYSTEM ANALYSIS AND DESIGN

3.0 ANALYSIS OF THE EXISTING SYSTEM

In taking any class of motor insurance, by the corporation, a potential client gets involved either through an agent of the corporation, a potential client gets involved through an agent of the corporation or by making a direct contract with corporation's branch office in his area. In either of the cases of involvement, after the client has been briefed on the involvement's and associated benefits accrues to each class of motor insurance, a proposal form is issued to the client to fill a copy, of which is found in appendix. In a situation whereby insurance agent assists the client to complete the proposal form, he is deemed to have done so as the agent of the client.

A properly completed form of proposal, dated and signed by the client, is required for all motor insurance and is required for all motor insurance and is required to produce a purchase receipt of the vehicle, current vehicle license, ignition key number, booth key number, kilometer reading and the vehicle for inspection.

It is the basis of contract between proposer and insurer and is made of integral part of the policy, by direct reference there in recital part clause of the policy. The proposer agrees to this in the

declaration at the foot of all motor proposal forms. It follows therefore, that should a proposal form contain answers which are incorrect, the error or omission (whether intentional or otherwise), is sufficient to render the policy avoidable. In consequence, while the printed designed to elicit all information required in normal case, the proposer must nevertheless disclose any exceptional material circumstances, although no specific question appears on the form in that respect. Materiality is a question of fact and if need be, it is for court to decide whether any particular fact is material or otherwise.

The questions found on proposal forms are as follows:

- (1) **Name of proposer:** This information is necessary for inspection in the policy to identify the insured. In addition, the name may raise doubt in the mind of the underwriter concerning moral hazards.
- (2) **Address:** The particulars disclosed are likewise for proper preparation of the policy and for communication purposes.
- (3) **Business or Profession:** Proposer's, whether individual or firms, must give their occupations. If, they have more than one, they must state them all in other to give the under-writer a complete picture. An individual may, for example, have an office or factory job but may also play in a dance band in the evenings and weekends. Different considerations arise in connection with different occupations.

- (4) **Age:** In considering the answer to this question insurers will need to decide whether special terms are necessary, because of the youth and inexperience or advance age with age failing faculties. Records has shown that, young drivers have accidents than mature driver, people over retirement age tend to have fewer accidents than those who go out to work.
- (5) **Details of the vehicle:** The under-writer wants to know its make, model, cylinder capacity, the number of seat, if it is designed to carry passengers or designed to carry goods, year of manufacture, the purchase price paid by the proposer and Proposer's estimate of present value including accessories and spare-parts. The registered letter and number of the vehicle are also required.

Engine and chassis numbers of the vehicle are also needed, such information is of value in the event of theft or total fire loss. Make of vehicle is necessary for description and identification and may determine the application of special rates. The model has to be distinguished as it may throw light on the use to which the vehicle is put.

Year of manufacture is useful, should the vehicle be very old it may not be accepted for comprehensive cover. It may not always possible to obtain the necessary parts for old and obsolete model at a reasonable cost, and this alone makes it undesirable to include "own damage" cover.

Seating capacity including the driver will assist the under-writer to calculate the additional premium required for personal

accident benefits to passengers. Proposer's estimate of value of the vehicle will represent the maximum amount to be paid by the insurer in the event of theft or damage beyond repairs, depreciation should be taking on old vehicle as well. If however, the car has only just been purchased or the Proposer's estimate of value greatly exceeds the price paid, the further investigation will be carried out.

- (6) **Ownership of the vehicle:** If the proposer does not own the vehicle and it is not registered in his name, further investigation is necessary. If a hire purchase company is interested in the vehicle their interest will be endorsed on the policy and loss or damage claim is then settled direct with such company.
- (7) **User(s) of the vehicle:** Under-writers pay particular attention to the use or uses of the vehicle in order to rate appropriately. The use should also be considered in relation to the occupation.
- (8) **Physical Disability of Proposer:** The physical condition of the Proposer and that of any other person who to his knowledge will drive the vehicle proposed for insurance.
- (9) **Conviction:** If the owner reveals serious convictions, further investigation will be necessary before deciding the terms of the insurance to be offered.
- (10) **Special conditions:** Under-writer want to know whether the proposer had been denied insurance before by another insurer; required increased premium or imposed special condition or cancelled cover or imposed excess under his policy.

If any of the questions should be answer in the affirmative, for further investigation is necessary. The reason for any special condition will assist the underwriter to decide whether to accept the proposal at all, and, if to accept it at what terms.

- 11) **Existing insurance and No Claim Discount:** If the proposer is entitled to a no Claim.

Discount for previous insurers in respect of any vehicle included in the proposal the renewal notice should be attached. The insurer will in practice grant no claim on the strength of the renewal notice. The name of the previous or existing insurers is of great value in the event of it being deemed necessary to make further inquires before the acceptance of the proposal.

- (12) **Accident Records:** The proposer is expected to disclose any accident or losses (whether covered by insurance or not) which occurred during the past three years in connection with any motor vehicle owned or driven by the proposer.

The answer will determine the terms and premium to be charged.

- (13) **Cover Required:** The aim of question is to ensure that there is no misunderstanding as to the extent of that of indemnity required by the proposer. Premium is also based on the type of cover required.

- (14) **Declaration:** The working of the declaration appearing at the end of all forms of proposal, varies with different insurers, but all declarations contains:

A warranty that the statements and particulars given in the form are true and complete and that nothing materially affecting the risk has been concealed;

A statement that the vehicles to be insured will not be driven by any person who to the Proposer's knowledge has been refused a motor insurance or contenance thereof.

The objective of the declaration is to draw attention to the necessity of full and complete information, following the completion of the form in any categories of proposal, photocopies of the receipt of payment and all other relevant document are made. The photocopies are kept in the originating branch office where the transaction was affected while the originals are taken to the head office for proposer under-writing.

The underwriting department then process the request for policy grant by looking at each answered question critically, and the premium rate is affected through the experts (actuarians).

Information provided by the proposer goes a long way in helping the corporation to determine the amount of premium to be paid. Following proposer verification of a Proposer's request motor insurance policy, the head office if satisfied, issues an acceptance letter; the original and photocopies (done in triplicate) is sent to the branch office. Subsequently, the acceptance letter is dispatched to the proposer. The Proposer reads through, fills and signs the acceptance letter.

The issuance of an acceptance letter is followed by the preparation of a policy certificate. An acknowledgement card which proposer sign, if the terms or conditions are okay usually accompanies the policy certificate. Afterwards, subsequent premium is paid, otherwise a letter of disagreement is written to cancel the policy grant.

Once the calculated premium rate is not paid, the policy becomes lapsed and void since the terms of the contract are no longer met.

CALCULATION OF PREMIUM

This is done manually.

$$S.P = (10\% \text{ of } C.V)$$

$$\text{If: } 7.5\% \text{ TPPD} = 2.5\% \text{ of } S.P$$

$$5.0\% \text{ TPPD} = 5\% \text{ of } S.P$$

$$2.5\% \text{ TPPD} = 10\% \text{ of } S.P$$

$$\text{Balance 1} = (S.P - 10\% \text{ of } S.P)$$

(If more than one car insured then, client enjoys 10% discount on each car)

Accident Free, between period of 2 to 6yrs.

Yr.,	Rates
1.	Nil
2.	20% of balance paid to insurance coy.

3. 25% of balance paid to insurance coy.
4. 33 1/3% of balance paid to insurance coy.
5. 40% of balance paid to insurance coy.
6. 50% of balance paid to insurance coy.

Balance 2 = (Balance 1 - Accident Free)

RCC = (1% of S.P)

Net Premium = (Balance 2 + RCC + TPPD)

Net Premium is paid once, but due to the economic situation in the country, the corporation allows insured to pay twice with first payment up to 50% of the premium calculated.

Where: C.C is the capacity of the car insured.

C.V is the car value, current market price of the car being insured.

S.P is the schedule premium, an amount calculated by the corporation to be paid yearly by the insured.

N.C.D (No Claim Discount): A discount is often allows in respect of each vehicle which has been insured for a period specified below and in respect of which no claim is pending or has been made during such period. The discount will in accordance with the following scales, calculated on the net renewal premium. For private cars, no claim made during the proceeding year of insurance attracts 20 per cent discount; no

claim made for two consecutive years of insurance attracts 25 per cent; no claims made during three consecutive years of insurance attracts 33 1/3 per cent discount; no claim made during four consecutive year of insurance attracts 40 per cent discount while during the five consecutive years of insurance attracts 50 per cent discount. For commercial vehicles, the no-claim discount is flat rate of 15 per cent.

TTPD, PA AND SID: A motor comprehensive policy carries a maximum self-insured deductible of 10% of present value of car. This can be reduced if an additional premium is paid, and, the lower the reduction, the more the premium paid and the lesser the burden born by the insured.

N.P (Net Premium): The total amount of money due to insurance company.

SPECIMEN SHEET

NICON INSURANCE CORPORATION, MINNA BRANCH PREMIUM COMPUTATION SHEET

Insured:

XYZ

Period of Insurance:

From: 28th June, 2000

To: 27th June, 2001

Policy No N0002

S/No.	Make of Vehicle	Reg. No.	C. C.	Value	Year of Make	Schedule Premium	Less 10% for More than One	Bal. To Ins.	Less NCD where applicable	Bal. To Insu-ance	Premium for Riot & Civil Commotion	TPED, PA & SID	NET Premium
1	Peugeot 504	AA123MNA	2.0	500,000	1999	50,000	5,000	45,000	NIL	45,000	NIL	2,500	46,250
2	M/Benz 500	AA012MNA	5.0	1,000,000	2000	100,000	10,000	90,000	18,000	72,000	1,000	10,000	83,000
				1,500,000		150,000	15,000	135,000	18,000	117,000	1,000	11,250	129,250

COLLECTION OF POLICY PROCEEDS AND CLAIMS

The image of an insurance company is judged by the claims service, it affords its policyholders. It is true that policyholders appreciate any prompt service they receive in respect of the delivery of policies, renewals and endorsements, but they will not appreciate the services if there is either reluctance to pay claims or delays, without good reason, the settlement of genuine claims. "An efficient claims department is an asset to an insurance company".

But a note of caution is, perhaps, necessary, only genuine claims which fall within the preview of the policy should be entertained. Payment of inadvisable claims, as far as the contract is concerned, is unfair to other policyholders as well as shareholders. It is therefore, equally, important to scrutinize every claim in all respect before money is paid out.

Corporation may refuse a claim under the policy because:

1. The policy is void ab initio;
2. The policy does not cover the person claiming or
3. The policy does not cover the particular claim, or
4. The policy does not cover the vehicle.

It is the duty of the corporation to pay the insured or claimant his equitable entitlement in accordance with the stipulations of the policy. Over payment of claims is not in the interest of either policyholders or the company's shareholders. In the same way insurers should not underpay insured or claimants.

CLAIMS PROCEDURE

Notification of Accident

In the event of any accident, which is likely to give rise to a claim, the insured is obliged to give immediate notification to the corporation; failure to give notice immediately after the incidence is a breach of condition precedent to liability which will enable the insurer to repudiate the liability. This condition is necessary because failure to give notice may prejudice the insurer. This may involve the loss of valuable witness material in third party claims, as witness may be difficult to trace or may forgotten the account of the incidence with the passage of time.

THE CLAIM FORM

Notification of accident is normally required to be in writing. A completed claim form eliciting all relevant information must be submitted by the insured.

The claim form normally gives the following information: -

1. The insured's name
2. Present Address
3. Policy Number
4. Vehicle details and registration number
5. Driver's name, address, age and license particular's
6. Date of accident

7. Place of accident
8. Description of damage to insured's vehicle, third party vehicle and other properties
9. Where damaged property may be inspected
10. Names and addresses of injured persons
11. Description of circumstances leading to the accident
12. Signature of both insured and driver.

Answers to all questions on the claim form have important bearing on the handling of the claim.

The following factors should also be taking into consideration:

- (i) Was the policy in force for the particular claim?
- (ii) Has premium been paid?
- (iii) Was the vehicle concerned in the accident insured under the policy?
- (iv) Were there any restrictions as to the driving of vehicle by the person in charge of the vehicle?
- (v) For what purpose was the vehicle being used?

POLICE REPORT: The police report on the accident is very useful in determination of liability in both own damage and third party claims. It confirms that an accident actually took place and that the damage really resulted from the accident

After the corporation is fully satisfied with aforementioned conditions; the claim department process the proceeds and paid to the insured without any further delayed.

3.1 PROBLEM OF THE EXISTING SYSTEM

- A. **Delay:** There is a lot of delay being encountered owing to the fact that there are many forms to be completed and this takes much time.
- B. **Storage:** Large volumes of data are involved and the storage of data is difficult when one consider the number of files to be consulted.
- C. **Error:** Just like any manual calculation, the premium to be paid is liable to error and subsequently affects the system
- D. Insurance Business by its nature, involves payments of small amount of money by a large number of people, accounting procedures for such transaction is tedious, if it is done on manual basis.
- E. **Insecurity:** This becomes relevant in case of fire outbreaks in which existing records are burnt.

3.2 ANALYSIS OF THE PROPOSED SYSTEM

The proposed system is the computerization of the operations of the different classes of motor insurance offered by the NICON Insurance Plc.

The computerization is to be done in such a way that only relevant information is contained in the proposal form. Since computer is suited for handling large amount of data at a relatively lower cost than the manual system, it is highly recommended, as this will eliminate the problems of tediousness because it will be the system that will be performing the necessary computations and displays the result. The computer is not fatigue as it is the case with human being and it is know to also provide error free solution. Hence, the accuracy in the calculations of premium for the different policies is guaranteed.

In the calculation of the premiums, the strong point that makes for easy computerization lies in the fact that virtually the same formula is used in the calculation only that the rate differs with the optimal cover required and the class of motor insurance being taken by the client (insured).

3.3 SYSTEM INVESTIGATION

The methods of gathering information used in this project are:

1. Interviewing
2. Observation
3. Reading from journals

Interviewing - This is the most common way of obtaining satisfactory information. This method of system investigation

allows the person to ask particular questions and specific question which might not be possible with other methods; particularly to obtain information about objectives, constraints, allocation of duties, and problems, and failures in the existing system. To be effective and economical, interview needs to be very planned.

Observation – this involves watching operations for a period to see for oneself exactly what happens. The whole process involved was shown in to the state and was able to check already noted.

Extraction from journals

3.4 SYSTEM DESIGN

The design of the new system includes:

1. File Specifications
2. Output Specifications
3. Input Specifications

FILE SPECIFICATIONS – This is concerned with the file structure and organization. The files for the different operations will be specified so as to make room for easy reference purposes or updating of records.

OUTPUT SPECIFICATIONS – This is the calculation of premium is on half-yearly basis, and annually.

INPUT SPECIFICATIONS – This will includes the amount of vehicle insured, the class of motor to be insured, the duration of insurance and the rates.

CHAPTER FOUR

SOFTWARE DEVELOPMENT AND IMPLEMENTATION

4.0 PROGRAM DESIGN AND GENERAL OPERATION OF THE SYSTEM

The computerization of Motor Insurance System (CIMS) is an automated software package that is designed to capture all information as regards Motor Insurance System in NICON Insurance Plc.

The computerized Motor Insurance System (CMIS) has main menu as shown below in fig. 1

CMIS	COMPUTERIZED MOTOR INSURANCE SYSTEM	DATE
1.	REGISTRATION	
2.	DELETE RECORDS	
3.	MODIFY RECORDS	
4.	VIEW RECORDS	
5.	REPORT GENERATION	
6.	EXIT	
USE UP & DOWN ARROW KEY TO HIGHLIGHT THE OPTION AND PRESS THE ENTER KEY		

The system will require the operators to use the up and down arrow keys to highlight the desired option and use enter key executes the program that is concerned.

REGISTRATION

The registration is the first option of the main menu of the computerized Motor Insurance System (CIMS). It comprises of other option, that is a sub-menu. This activated by pressing the ENTER key on the transaction option and the sub-menu is activated, as shown in fig. 2

CMIS COMPUTERISED MOTOR INSURNACE SYSTEM DATE	
1. REGISTRATION 2. DELETE RECORDS 3. MODIFY RECORDS 4. VIEW RECORDS 5. REPORT GENE. 6. EXIT	1. CLIENT PROPOSAL 2. NEW CAR 3. RENEWAL OF PROPOSAL 4. INSURING ADDITIONAL CAR 5. RETURN TO MENU
USE UP & DOWN ARROW KEY TO HIGHLIGHT THE OPTION DESIRED AND PRESS THE ENTER KEY	

A. CLIENT PROPOSAL

This is the first option of the registration submenu. It is used to capture all information regarding to clients into the proposal database file. Few among the information captures are client code, client name, policy code, policy name etc.

B. NEW CAR

This is the second option of the registration menu. This is the first time the client approaches the corporation for an insurance policy. The client will be given a proposal form to be filled with the assistance of an under-writer.

C. RENEWAL OF PROPOSAL

Every client proposal has a stipulated duration that is, a period in which the proposal that has expired, that is the duration of the transaction over, there should be a form that will be entered for renewal the proposal. This form is known as the renewal of client proposal form in which the duration of the renewal client proposal needs to be re-entered.

D. INSURING ADDITIONAL CAR

In a situation whereby client acquires another car and wishes to insured it together with existing one he will be given another form to filled this will enable the company to calculates an additional premium as well as calculates the discount accrues to such client.

E. RETURN TO MENU

This is the last option of the transaction menu. Return to menu will take the pointer back to the menu system under transaction.

2. DELETE RECORDS

This is used to delete obsolete or unwanted record from the database file. This is done by entering the code and the computer will use the code to search for the corresponding record code in the database file. If the record code exist, the information as relates to the records is then displayed on the computer screen and a message is displayed at the lower part of the computer screen as shown below.

“[D]elete [R]epeat [A]banon”

If the users decides to press the letter [D] which signifies that he wants to delete then record, hence the records involved are completely deleted from the database file.

3. MODIFY EXISTING RECORD

Here, all erroneous records are being modified. This is done by entering the unique code of the records to be modified, if the code entered is invalid, a message is displayed on the computer screen as shown below “INVALID CODE, PRESS ANY KEY TO RETURN”. At the point, if the user press any key to re-entry the computer clear the message from the screen and take the cursor to the be entered. This time if the code entered is valid, the computer now use the code entered to search for corresponding record in the database file used and the relevant information is then displayed on the computer screen; and a message is displayed as shown below.

“[M]odify [R]epeat [A]bandon”

If the user presses the [M], which signifies that he wants to modify the record displayed on the screen and the modification will commence immediately after pressing the letter [M], if the user decide to press the letter [R], it signifies that he wants to repeat the execution of the program all over by entering another code. If the entered letter is [A], this signifies that he wants the computer to clear screen, close all activated database file and return back to the menu where it is bee call from.

4. **VIEW EXISTING RECORDS**

Viewing of existing records allows the user or operator to displayed the records available in the database file at a glance to see whether there is any incorrect information entered during the process of data entering.

However, this is done by first entering the unique code which the computer will use to search for the corresponding records in the database file used. If the record code is available, the information is then displayed on the computer screen and a message is displayed at the computer as shown below.

“[V]iew [R]epeat [A]bandon”

The letter [V] allows the user to continue to view by entering another unique code for other records to be displayed.

However, on pressing the enter key on the above option, the system will execute the concerned procedure.

The general format of the report menu is as shown in fig. 3 below.

CMIS	COMPUTERISED MOTOR INSURANCE SYSTEM	DATE
<ol style="list-style-type: none"> 1. REGISTRATION 2. DELETE RECORDS 3. MODIFY RECORDS 4. VIEW RECORDS 5. REPORT GENE. 6. EXIT 	<p style="text-align: center;">REPORT GENERATION</p> <ol style="list-style-type: none"> 1. LIST REGISTRTERED POLICY 2. LIST OF PREMIUM PAYMENT BALANCE 	
<p>USE UP & DOWN ARROW KEY TO HIGHLIGHT THE OPTION DESIRED AND PRESS THE ENTER KEY</p>		

6. EXIT

This is the last option of the main menu system. It is used to clear the computer screen, close all activated database file and return to the DOS prompt.

4.1 CHOICE OF PROGRAMMING LANGUAGE (DBASE IV) AND ITS FEATURES

Dbase IV was chosen as the programming language. This is because it has most of the features of the many competing database products available in the market.

Dbase IV has the following features:

4.1 CHOICE OF PROGRAMMING LANGUAGE (DBASE IV) AND ITS FEATURES

Dbase IV was chosen as the programming language. This is because it has most of the features of the many competing database products available in the market.

Dbase IV has the following features:

- i. Dbase IV allows data to be entered and stored in a pre-determined format which is the form of rows and columns. Each column represent a field and each row represent a record. (A record is a combination of related fields). Dbase IV can accept up to 255 fields per record. In this regard Dbase IV produces a full relational database environment for user.
- ii. Dbase IV has facilities that a allows records to be entered, modify or filtered out from the stored records. It also has some in built function for mathematical and string manipulations.
- iii. It allows users to interact with the program in most areas where necessary, to design, analyze and mould data output into presentable reports.
- iv. It also allows comments to be supplied to Dbase IV by selecting an option available in the menu provided by the control centre's mode.
- v. Different users can manipulate the some data in different ways to suit individual requirements. Furthermore, it can be related to two or more databases.

4.2 CHANGE-OVER PROCEDURE

A change-over or conversion from the old system (existing system) to the new system (proposed system) is needed that is once the new system is working efficiently as expected and conclusive verification of the operational efficiency of the new system, to help achieve the aim of transforming the existing system into the newly developed one. Also, there is need to set up new files and convert old files before the changeover is finally carried out.

Change-over marks the end of system conversion, and it can simply be described as the method of moving from the old to the newly developed one.

System change-over may take place when:

- (a) The system has been proved to be satisfactory to the system analyst and other implementation activities have been completed.
- (b) User managers are satisfied with the results of the system tests and staff training reference manuals.
- (c) The target data for change-over is due.

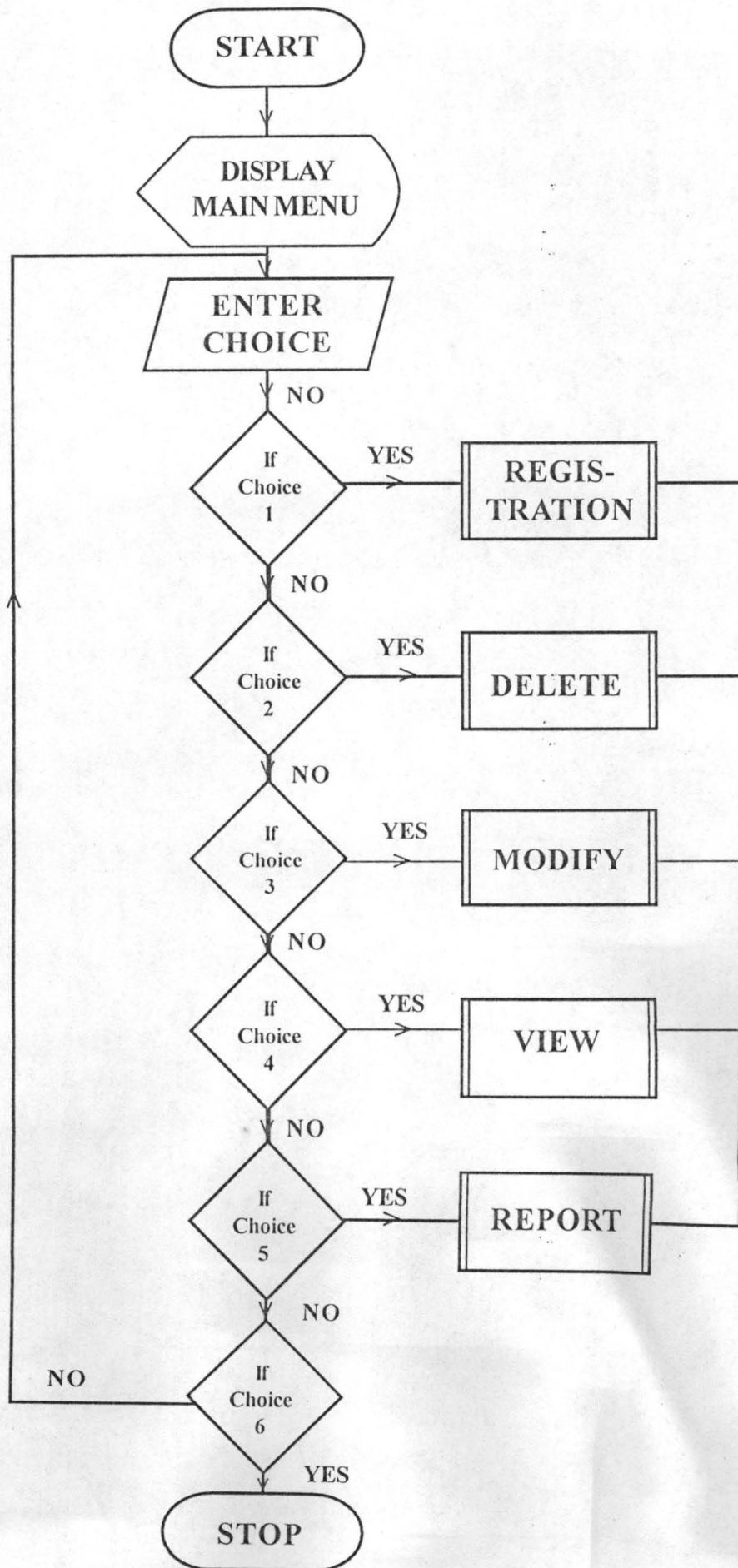
The change-over maybe achieved in a number of ways. The most common methods are:

- * Direct change-over
- * Parallel Running change-over, and
- * Pilot change-over

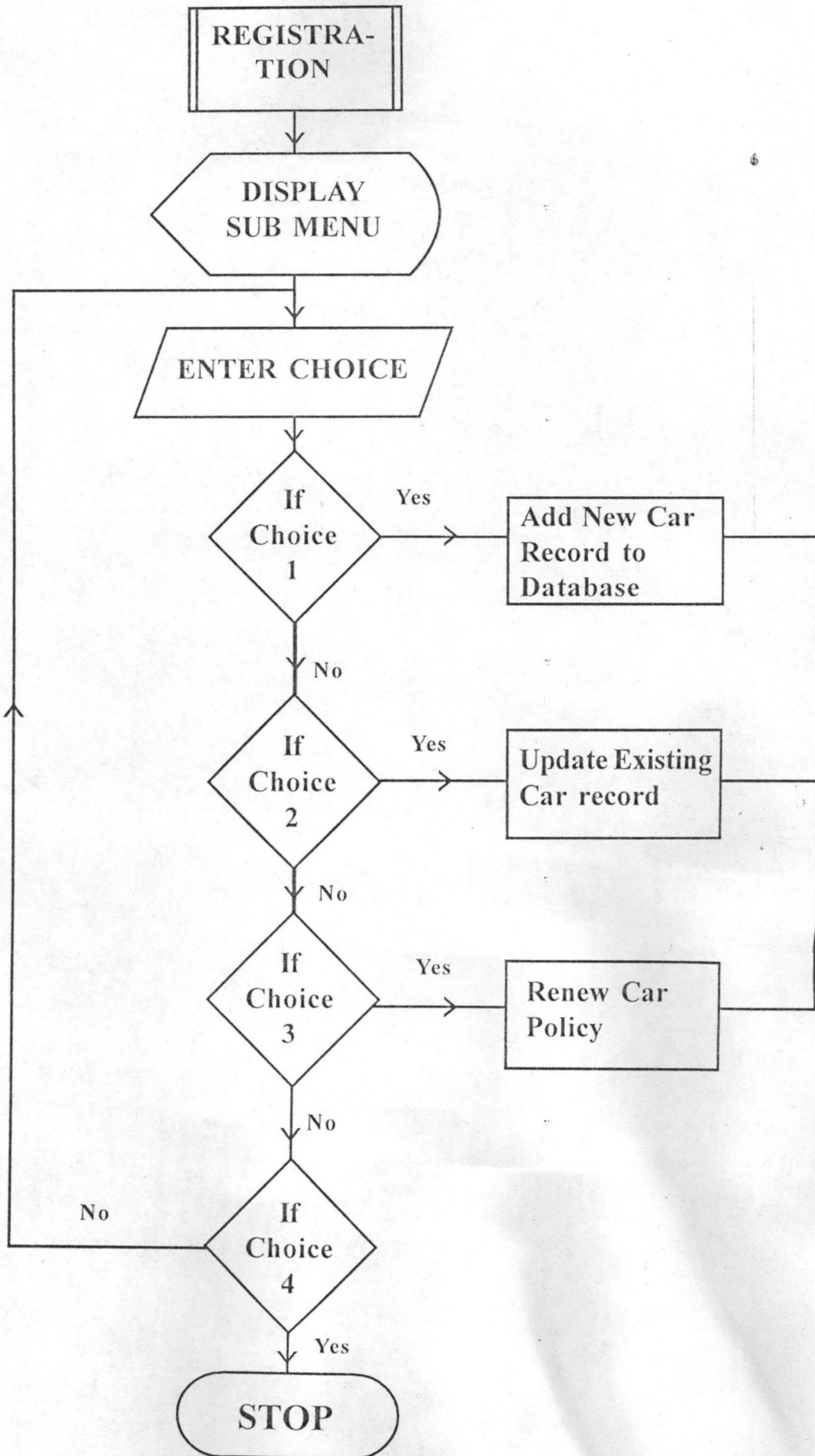
All these methods have their merits and demerits. However, parallel change-over is being recommended. This is because with parallel change-over, you can process current data by both the old and new systems to cross check the results.

Its main attraction is that the old system is kept alive and operational until the new system is proved for at least one system cycle, using full live data in the real operational environment of place, people, Equipment, and Time, and the old system is phased out gradually. This method gives room for comparison of results of the new and old systems before acceptance by the user, thereby promoting user confidence.

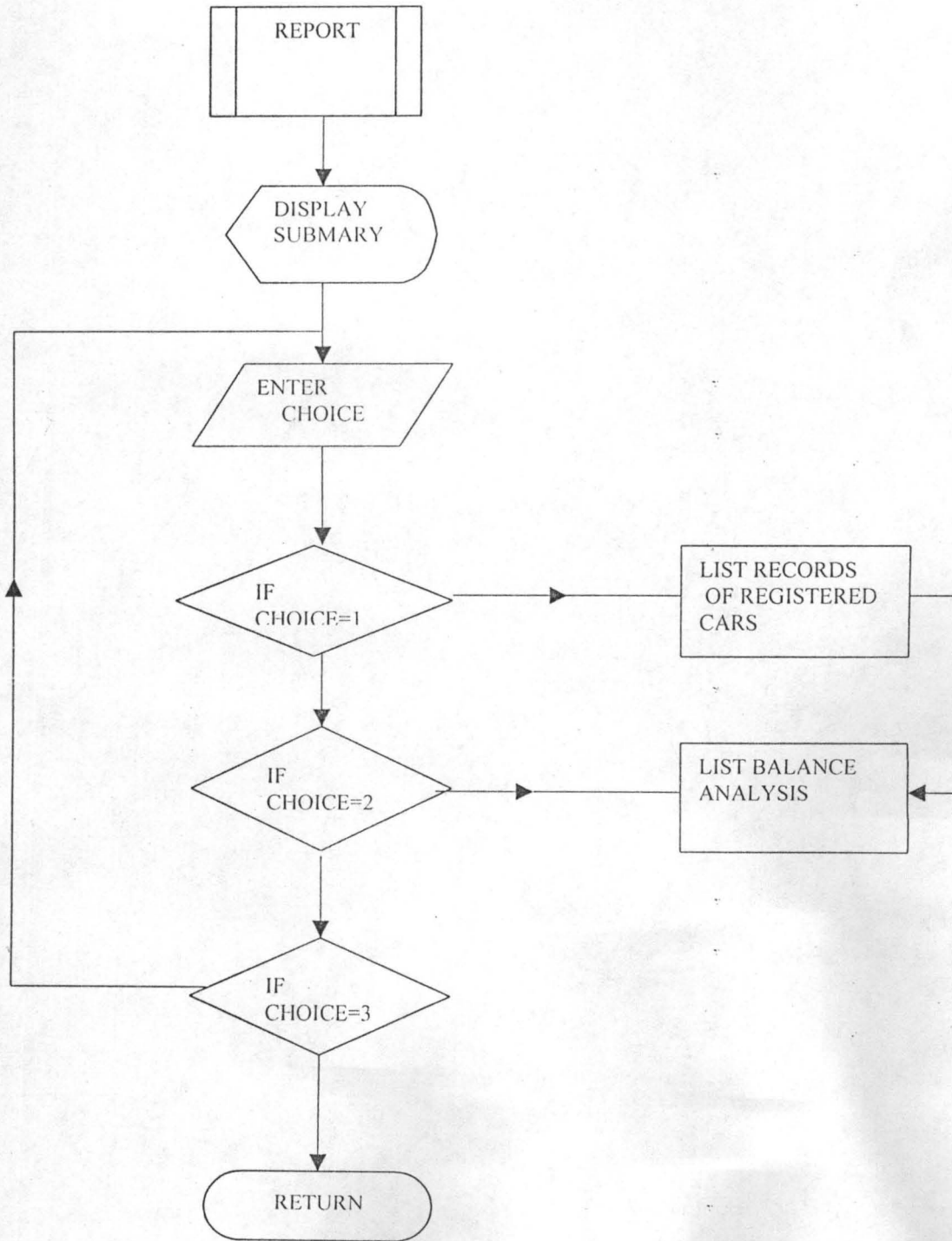
FLOW CHART A



FLOW CHART B



FLOW CHART C



4.4 STAFF TRAINING

Training is very essential for the computer staff. The amount of training required for various categories of personnel will depend upon the complexity of the system and the skills presently available. It is evidence that the software package is easy to understand and as such a period of training for not less than a month duration of the new system is recommended.

Within the specified period of training the staff should be given proper access to the new system. Possible problems that are likely to arise should be resolved within this period. Training should involved the use of test data which can be repeated processed.

Where possible, a handbook manual or reference guide which provides comprehensive and in depth explanations on the use of the software system should be made accessible to the trainees.

4.5 SYSTEM IMPLEMENTATION

Implementation follows on from the details design stage. This involves the co-ordination of the effort of the user department and the data processing department in getting the system into the operation, the system analyst who is responsible for the design of the new system in an important member in participation because of his thorough knowledge of the system.

However, implementation has to do with the maintenance of system against environmental changes which may affect either the computer or other parts of the computer based system. This may lead to improvement of system function and the correction of faults which arises during the operation of the system.

Specifically, the objectives of the system implementation review are as follows:

- (1) To check whether the system goal and objectives have been achieved or not.
- (2) Determining whether user service requirements have been met, while simultaneously reducing errors and costs.
- (3) Determine whether personal procedures, operating activities and other control have been confirmed.
- (4) To check whether known and unexpected limitations of the system needs attention.

CHAPTER FIVE

5.0 SYSTEM TESTING AND EVALUATION

Systems testing involving code and specification tests were carried out. It examined what is expected from the program.

Also the system evaluation were carried out with a view to determine whether:

1. The system is working effectively and as well delivering the required benefits.
2. The users are satisfied with the system or having problems in working with the new system.
3. The system controls are functioning well.
4. Whether the project was completed within the budgeted amount and also determines the system's operating cost.

After system testing and evaluation, it was seen that the users are happy with the new system and the benefit of this computerization will in no distant time outweighs the cost or the money spent on introducing the system.

5.1 SUMMARY

In Nigeria today, computerization is becoming increasingly important in business environment. Insurance companies in this country have been slow to take advantage of the immense benefits which computer offers. The primary purpose for

computerization should not be, objective of reducing cost over a short period of time (this is highly debatable) but rather to improve efficiency, and service to clients.

The accuracy, speed and reliability of computers in processing lists of instruction in the most efficient manner has also increased the zeal of individuals and corporate bodies to engage the use of computers in their respective day to day business activities. The information needs to the present day organizations continue to increase considerably, and such information is required to be generated within a reasonable time and also with high speed.

When designing any computer based procedure, channeling the design in such a way as to achieve maximum benefits in terms of speed of execution, complete or total automation of procedure and maximum eradication of possible errors from the use of computers.

The new systems provide benefits which includes:

Providing a solution to the problems of the existing.

Increasing in processing speed and generation of useful report within a short period of time.

The integrity of the data is maintained.

Better control is achieved on the security of the information regarding the customer.

Better and more satisfactory reports are generated.

This enables the customers to understand better, how the various balances are arrived at end the reconciliation of accounts are made easier

5.2 **RECOMMENDATION AND CONCLUSIONS**

With the above benefits, it is recommended that the Motor Insurance Department of NICON Insurance Plc. be computerized in view of the business environment. It is also recommended that this department should be used as a springboard for the complete automation of all other departments.

The potential role which computerization can play in the operation of the motor insurance has been examined in this work. The challenges facing the motor insurance industry today are truly immense, only the most efficient establishments can survive and pose at some handsome returns to shareholders and policyholders. Computerization constitutes an essential element in the success of motor insurance.

Finally, the benefits of the new system clearly outweighs those of the existing system. Therefore, the new system should be installed within the shortest possible time to cater for the immediate needs and future needs of the entire organization.

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 * NICON INSURANCE PLC, MINNA BRANCH *

 * LIST OF REGISTERED CARS *

* SN *	* Reg. Number *	OWNER'S NAME	* Vehicle * * Make *	*Year of* * Make *	Engine Number	* Present * * Value *
1	AA-654-ADK	WILLIAMS ADETOKUNBO	TOYOTA COROLLA	1994	SD23432355	350000.00
2	QW-567-JAS	WILLIAMS ADETOKUNBO	TOYOTA CELICA	1990	FD34343454	200000.00
3	AK-455-HFG	HARUNA BABAKUDU	HONDA PRELUDE	1994	GH43554543	240000.00
4	YU-564-GHR	HARUNA BABAKUDU	PEUGEOT 306	1994	HG654645JT	560000.00
5	AB-534-GTX	ADEWALE IBIKUNLE	HONDA ACCORD	1997	HG5677TGHH	500000.00
6	RE-564-GHE	ADEWALE IBIKUNLE	TOYOTA CARINA	1994	HG54656HJL	300000.00

 * NICON INSURANCE PLC, MINNA BRANCH *

 * PREMIUM COMPUTATION SHEET *

INSURED : WILLIAMS ADETOKUNBO
 PERIOD OF INSURANCE - FROM: 10/11/1998 TO: 10/12/2000

* SN *	Vehicle Reg. Number	Vehicle Make	* Present Value	*Year of Make	Schedule Premium	* Less 10% for > 1 *	Balance to Ins.	* Less NCD	Balance to Ins.	* Premium for RCC	* TPPD, PA & SID	* Net Premium *
1	AK-455-HFG	HONDA PRELUDE	240000.00	1994	24000.00	2400.00	21600.00	0.00	21600.00	0.00	600.00	22200.00
2	YU-564-GHR	PEUGEOT 306	560000.00	1994	56000.00	5600.00	50400.00	10080.00	40320.00	560.00	1400.00	42280.00
												64480.00
												-----□

 * NICON INSURANCE PLC, MINNA BRANCH *

 * PREMIUM COMPUTATION SHEET *

INSURED : WILLIAMS ADETOKUNBO
 PERIOD OF INSURANCE - FROM: 10/11/1998 TO: 10/12/2000

* SN *	Vehicle Reg. Number	Vehicle Make	* Present Value	*Year of* Make	Schedule Premium	* Less 10%* for > 1 *	Balance to Ins.	* Less NCD	Balance to Ins.	* Premium for RCC	* TPPD, PA & SID	* Net Premium *
1	AB-534-GTX	HONDA ACCORD	500000.00	1997	50000.00	5000.00	45000.00	9000.00	36000.00	500.00	2500.00	39000.00
2	RE-564-GHE	TOYOTA CARINA	300000.00	1994	30000.00	3000.00	27000.00	5400.00	21600.00	0.00	750.00	22350.00
												61350.00
												-----□

```

*****
*** NAME      : AJETUNMOBI NURUDEEN ADEWALE ***
*** INSTITUTION: F.U.T., MINNA ***
*** COURSE    : PGD IN COMPUTER SCIENCE ***
*** MATRIC NO : MCS/PGD/769/98/99 ***
*** CASE STUDY : NICON INSURANCE PLC, MINNA ***
*****

```

```

SET TALK OFF
SET CENTURY ON
SET SAFETY OFF
SET SCORE OFF
SET CONFIRM ON
SET ESCAPE ON
SET MESSAGE TO ""
SET DEVICE TO SCREEN
SET STATUS OFF
CLEA ALL
SET COLOR TO GR+, G, G
CLEAR
sele a
use nicon
sele b
use cars
DO PROG
AVAR = ' '
DO WHILE AVAR = ' '
DO DEFIN
DO MAIN
CLEAR
ENDDO
RETURN

```

```

PROCEDURE DEFIN
IF ISCOLOR()
  SET COLOR OF BOX TO GR+/BG
  SET COLOR OF NORMAL TO W+/B
  SET COLOR OF HIGHLIGHT TO GR+/BG
  SET COLOR OF MESSAGES TO W+/N
  SET COLOR OF TITLES TO W/B
  SET COLOR OF FIELDS TO N/BG
  SET COLOR OF INFORMATION TO B/W
ENDIF

```

```

SET BORDER TO DOUBLE

```

```

* SET BORDER TO DOUBLE
DEFINE POPUP MAINMENU FROM 1,25
DEFINE BAR 1 OF MAINMENU PROMPT " M A I N   M E N U " SKIP
DEFINE BAR 2 OF MAINMENU PROMPT "===== " SKIP
DEFINE BAR 3 OF MAINMENU PROMPT "REGISTRATION";
  MESSAGE "Addition of record(s) to the database file"
DEFINE BAR 4 OF MAINMENU PROMPT "DELETE RECORD(s)";
  MESSAGE "This option allows deletion of record(s)"
DEFINE BAR 5 OF MAINMENU PROMPT "MODIFY RECORD(s)";
  MESSAGE "This option allows modificatio of record(s)"
DEFINE BAR 6 OF MAINMENU PROMPT "VIEW RECORD(s) ";
  MESSAGE "This option allows you to perform operations"
DEFINE BAR 7 OF MAINMENU PROMPT "REPORT GENERATION";
  MESSAGE "This option allows Generation of reports"
DEFINE BAR 8 OF MAINMENU PROMPT "E X I T ";
  MESSAGE "You want to Shutdown"

```

ON SELECTION POPUP MAINMENU DO MAIN_PARA

```
*-----> Popup for Report
DEFINE POPUP OPPOM FROM 5,45
DEFINE BAR 1 OF OPPOM PROMPT "REGISTRATION MENU" SKIP
DEFINE BAR 2 OF OPPOM PROMPT "===== " SKIP
DEFINE BAR 3 OF OPPOM PROMPT "FRESH CAR REGISTRATION ";
    MESSAGE "Perform operation on customer account "
DEFINE BAR 4 OF OPPOM PROMPT "ADDITIONAL CAR REGISTRATION ";
    MESSAGE "Perform operation on line status "
DEFINE BAR 5 OF OPPOM PROMPT "RENEWAL OF REGISTRATION ";
    MESSAGE "Perform operation on line status "
ON SELECTION POPUP OPPOM DO OPPO_PARA
```

```
*-----> Popup for Report
DEFINE POPUP REPOM FROM 6,45
DEFINE BAR 1 OF REPOM PROMPT " REPORT MENU" SKIP
DEFINE BAR 2 OF REPOM PROMPT "===== " SKIP
DEFINE BAR 3 OF REPOM PROMPT "PREMIUM COMPUTATION SHEET ";
    MESSAGE "Generate report of customer account "
DEFINE BAR 4 OF REPOM PROMPT "LIST OF RECORDS ";
    MESSAGE "Generate report of line status "
ON SELECTION POPUP REPOM DO REPO_PARA
```

```
*-----> Popup for Exit
DEFINE POPUP EXITM FROM 7,45
DEFINE BAR 1 OF EXITM PROMPT " E X I T   M E N U " SKIP
DEFINE BAR 2 OF EXITM PROMPT "===== " SKIP
DEFINE BAR 3 OF EXITM PROMPT "EXIT TO PROMPT      ";
    MESSAGE "Return to the Dbase Prompt"
DEFINE BAR 4 OF EXITM PROMPT "EXIT TO DOS      ";
    MESSAGE "Shutdown and return to DOS"
ON SELECTION POPUP EXITM DO EXIT_PARA
```

PROCEDURE PROG

```
* -----> This section design the screen
DEFINE WINDOW MAINSC FROM 1,1 TO 22,78 NONE COLOR W+/B
DEFINE WINDOW WORK_IN FROM 7,5 TO 21,75 DOUBLE COLOR W+/B
ACTIVATE WINDOW MAINSC
@0,20 to 3,60 double
@1,29 say "MOTOR INSURANCE POLICY" COLOR W+
@2,19 say "(Case Study of NICON INSURANCE PLC, MINNA)" COLOR W+*
ACTIVATE WINDOW WORK_IN
RETURN
```

PROCEDURE MAIN

```
ACTIVATE POPUP MAINMENU
RETURN
```

PROCEDURE MAIN_PARA

```
DO CASE
    CASE BAR() = 3
        ACTIVATE POPUP OPPOM
        DEACTIVATE POPUP
    CASE BAR() = 4
        DO DELREC
    CASE BAR() = 5
        DO MODREC
    CASE BAR() = 6
```

```

        DO VIEWREC
    CASE BAR() = 7
        ACTIVATE POPUP REPOM
        DEACTIVATE POPUP
    CASE BAR() = 8
        ACTIVATE POPUP EXITM
        DEACTIVATE POPUP
ENDCASE
RETURN

```

```

PROCEDURE REPO_PARA
DO CASE
    CASE BAR() = 3
        DO REBAL
    CASE BAR() = 4
        DO RELIST
ENDCASE
RETURN

```

```

PROCEDURE OPPO_PARA
DO CASE
    CASE BAR() = 3
        DO ADDCUST
    CASE BAR() = 4
        DO ADDCAR
    CASE BAR() = 5
        DO RENEW
ENDCASE
RETURN

```

```

PROCEDURE EXIT_PARA
DO CASE
    CASE BAR() = 3
        AVAR = 'Q'
        CANCEL
    CASE BAR() = 4
        QUIT
ENDCASE
RETURN

```

```

Procedure ADDCUST
store 'Y' to ans
set stat off
do while ans = 'Y'
sele a
clear
store space(7) to mcustno
@1,10 Say "Enter Customer Number: " get mcustno pict "NI-9999"
read
locate all for custno = mcustno
if found()
    @8,20 say 'Record already exist'
else
store 0 to mpval, msid,msp,mless,macf,mnetp,mcc,mrrcc
store space (1) to mrcc
store space (25) to mname
store space (35) to maddress
store space (20) to moccupate
store space (15) to mcover, mmake
store space (5) to msidtype

```



```

store space (4) to myrmake
store space (10) to mengine,mregno
store date() to msdate, mrdate
DO GETDATA
READ
  clear
  append blank
  replace custno with mcustno
  replace name with mname
  replace address with maddress
  replace sdate with msdate
  replace occupate with moccupate
  sele b
DO GETDATA2
READ
  msp = 0.1 * mpval
  if mrcc = 'Y'
    mrrcc = 0.01 * msp
  endif
  if msidtype = '7.5%'
    msid = 0.025 * msp
  endif
  if msidtype = '5.0%'
    msid = 0.05 * msp
  endif
  if msidtype = '2.5%'
    msid = 0.1 * msp
  endif

  clear
  append blank
  replace custno with mcustno
  replace name with mname
  replace yrmake with myrmake
  replace sdate with msdate
  replace rdate with mrdate
  replace regno with mregno
  replace make with mmake
  replace engine with mengine
  replace pval with mpval
  replace cover with mcover
  replace sidtype with msidtype
  replace sid with msid
  replace sp with msp
  replace less with mless
  replace acf with macf
  replace netp with mnetp
  replace rcc with mrcc
  replace cc with mcc
  replace rrrcc with mrrcc

endif
@10,10 to 12,50
store 'N' to ans
@11,12 say 'Are there more records? (Y/N)' get ans pict '!';
      valid ans $ 'YN' error 'Invalid entry !!!'

  read
enddo
CLEAR

return

```

```

endif
  @10,10 to 12,50
  store 'N' to ans
  @11,12 say 'Are there more records? (Y/N)' get ans pict '!';
      valid ans $ 'YN' error 'Invalid entry !!!!'
  read
enddo
go top
do while .not. eof()
  if custno = mcustno
    replace less with 0.1*sp
  endif
  skip
enddo
CLEAR
return

```

Procedure DELREC

```

store 'Y' to ans
do while ans= 'Y'
  sele a
  clea
  @2,15 to 4,55
  @3,20 say 'Deletion of record'
  store space(7) to mcustno
  @1,10 Say "Enter Customer Number: " get mcustno pict "NI-9999"
  read
  locate all for custno = mcustno
  if found()
    @10,10 to 12,50
    store 'N' to reply
    @11,12 say 'Are you sure? (Y/N)' get reply pict '!';
      valid reply $ 'YN' error 'Invalid entry!!!!'
    read
    if reply = 'Y'
      dele
      pack
    endif
  sele b
  dele all for custno = mcustno
else
  @8,20 say 'Record does not exist'
endif
  @10,10 clea to 12,50
  @10,10 to 12,50
  store 'N' to ans
  @11,12 say 'Delete more records? (Y/N)' get ans pict '!';
  read
enddo
CLEAR
return

```

Procedure MODREC

```

sele a
store 'Y' to ans
do while ans = 'Y'
  clea
  store space(7) to mcustno

```

```

@1,10 Say "Enter Customer Number: " get mcustno pict "NI-9999"
read
  locate all for custno = mcustno
  if found()
    store custno to mcustno
    store name to mname
    store address to maddress
    store sdate to msdate
    store occupate to moccupate
  DO GETDATA
  READ
  clear
    replace custno with mcustno
    replace name with mname
    replace address with maddress
    replace sdate with msdate
    replace occupate with moccupate
  else
    @8,20 say 'Record does not exist'
  endif
  @10,10 to 12,50
  store 'N' to ans
  @11,12 say 'Modify more record? (Y/N)' get ans pict '!';
    valid ans $ 'Y/N' error 'Invalid entry!!!'
  read
enddo
CLEAR
return

```

Procedure VIEWREC

```

sele a
store 'Y' to ans
do while ans = 'Y'
  clea
  store space(7) to mcustno
  @1,10 Say "Enter Customer Number: " get mcustno pict "NI-9999"
  read
    locate all for custno = mcustno
    if found()
      store custno to mcustno
      store name to mname
      store address to maddress
      store sdate to msdate
      store occupate to moccupate
    DO GETDATA
    clear gets
  else
    @8,20 say 'Record does not exist'
  endif
  @10,10 to 12,50
  store 'N' to ans
  @11,12 say 'View more record? (Y/N)' get ans pict '!';
    valid ans $ 'Y/N' error 'Invalid entry!!!'
  read
enddo
CLEAR

```

return

Procedure REBAL

```

define window user from 1,1 to 22,78 none color W+,B

```

```

activate window user
  clea
  store space(7) to mcustno
  store date() to mdate
  store "N" to man
  @1,10 Say "Enter Customer Number: " get mcustno pict "01-9999"
  @3,10 say "Any Claims made (Y/N): " get man pict "!";
        valid man $ 'YN' error 'Invalid entry!!!'
  @5,10 say "Enter Todays Date      : " get mdate
  read
  sele b
  go top
  set stat off
  set alternate to 'niconl.out'
  set device to screen
  set alternate on
  set space on
  DO HEADING with 1
  store 0 to ct,mbal,netpre,cumm
do while .not. eof()
  if custno <> mcustno
    skip
  else
    ct = ct + 1
    insbal = sp - less
    if man = "N"
      mdiff = mdate - sdate
      mfactor = int(mdiff/365)
      mbal = 0
      if mfactor = 2
        mbal = 0.2 * insbal
      endif
      if mfactor = 3
        mbal = 0.25 * insbal
      endif
      if mfactor = 4
        mbal = 0.335 * insbal
      endif
      if mfactor = 5
        mbal = 0.4 * insbal
      endif
      if mfactor = 6
        mbal = 0.5 * insbal
      endif
    endif
    netpre = (insbal-mbal)+rrcc+sid
    ? '|',str(ct,2),'|',regno,'|',make,'| '
    * ,str(cc,5,2),'| '
    ?? str(pval,11,2),'|',ymake,'|',str(sp,10,2),'|',str(less,8,2)
    ?? '|',str(insbal,10,2),'|',str(mbal,10,2),'|',str(insbal-
mbal,10,2)
    ?? '|',str(rrcc,8,2),'|',str(sid,8,2),'|',str(netpre,10,2),'| '
    ? replicate('-',156)
    cumm = cumm + netpre
  skip
endif
enddo
  ? space(143),str(cumm,10,2)
  ? space(143),replicate('-',10)
set alternate off
wait

```

```
deactivate window user
return
```

```
Procedure RELIST
define window user from 1,1 to 22,78 none color W+,B
activate window user
set stat off
set alternate to 'nicon2.out'
set device to screen
    set alternate on
    set space on
    DO HEADING with 2
    sele b
    sort on custno to cars2
    use cars2
    go top
    ct = 1
do while .not. eof()
    ? '|',str(ct,2),'|',regno,'|',name,'|',make,'|'
    ?? yrmake,'|',engine,'|',str(pval,11,2),'|'
    ct = ct + 1
    ? replicate ('-',103)
    skip
enddo
set alternate off
wait
deactivate window user
return
```

```
PROCEDURE GETDATA
CLEAR
@ 3,5 SAY "Customer Number : " + Mcustno
@ 5,5 SAY "Name          : " GET Mname PICT "@"
@ 7,5 SAY "Address       : " GET Maddress PICT "@"
@ 9,5 SAY "Occupation    : " GET Moccupate PICT "@"
@11,5 SAY "Start Date   : " GET Msdate
RETURN
```

```
PROCEDURE GETDATA2
CLEAR
@ 1,5  SAY "Car Registration Number : " get mregno pict "@"
@ 3,5  SAY "Car Make           : " get mmake pict "@"
@ 3,45 SAY "Year of Make       : " GET Myrmake pict "9999"
@ 5,5  SAY "Engine No         : " get mengine pict "@"
@ 5,35 SAY "Cover Type        : " get mcover pict "@M.Comprehensive, Third
Party"
@ 7,5  SAY "SID Type          : " GET Msidtype pict "@M 10%,7.5%,5.0%,2.5%"
@ 7,35 SAY "RCC (Y/N)         : " GET Mrcc PICT "!" ;
        valid mrcc $ 'Y/N' error 'Invalid entry!!!'
@ 9,5  SAY "Present Car Value : " GET mpval pict "99999999.99"
RETURN
```

```
PROCEDURE HEADING
PARAMETER LL
IF LL = 1
? space(54),"*****"
? space(54),"* NICON INSURANCE PLC, MINNA BRANCH *"
? space(54),"*****"
?
?
```

```

? space(58), "*****"
? space(58), "* PREMIUM COMPUTATION SHEET *"
? space(58), "*****"
?
? "INSURED : ", name
? "PERIOD OF INSURANCE - FROM: ", sdate, " TO: ", mdate
?
? REPLICATE(" ", 156)
? "* * Vehicle * Vehicle * Present *Year of* Schedule
* Less 10%* Balance * Less NCD * Balance * Premium * TPPD, PA *
Net *"
? "* SN * Reg. Number * Make * Value * Make * Premium
* for > 1 * to Ins. * * to Ins. * for RCC * & SID *
Premium *"
? REPLICATE(" ", 156)
ENDIF
IF LL = 2
? space(34), "*****"
? space(34), "* NICON INSURANCE PLC, MINNA BRANCH *"
? space(34), "*****"
?
?
? space(39), "*****"
? space(39), "* LIST OF REGISTERED CARS *"
? space(39), "*****"
?
? REPLICATE(" ", 103)
? "* * Vehicle * * Vehicle *Year
of* Engine * Present *"
? "* SN * Reg. Number * OWNER'S NAME * Make * Make
* Number * Value *"
? REPLICATE(" ", 103)
ENDIF
RETURN

```

PLEASE COMPLETE IN BLOCK LETTERS

PERSONAL DETAILS

Full Name

(Surname First)

Postal Address

Precise Occupation

Date of Birth / /

Insurance Required From:

am/pm on

for 12 months.

CAR DETAILS:

Registration No.	Make and Model	CC	Engine No.	Chassis No.	Date of Purchase	Year of make	No. of Seats	Present Value of Car.

Please answer the following questions by ticking "YES" or "NO" in the boxes

- (a) Are you the sole owner of the Car? YES NO
- (b) If not, is the car being hired or being purchased under a hire purchase agreement? YES NO
- (c) Is there any variation from standard or alteration to engine or body of Car? YES NO

If answer is "YES" please provide full details.

[Empty box for providing details for question (c)]

Name your previous motor insurers

State percentage discount enjoyed at last renewal

(Please attach the renewal notice)

COVER REQUIRED

(Please tick appropriately) COMPREHENSIVE

THIRD PARTY ONLY

(i) OPTIONAL SELF INSURED DEDUCTIBLE

A Motor Comprehensive Policy carries a maximum self insured deductible of 10% of present value of Car. This can be reduced if you pay an additional premium.

Please indicate reduced deductible required (7.5%; 5%; 2.5%;)

(ii) OPTIONAL PERSONAL ACCIDENT COVER

(see details overleaf)

A standard Motor Policy does not provide Personal Accident cover for injury to and death of the insured and any occupant of the car.

Do you require a Personal Accident cover at an additional premium for yourself ; non-fare paying occupants ?

Please state maximum number of occupants other than yourself

(iii) OPTIONAL THIRD PARTY PROPERTY DAMAGE

A standard Motor Policy covers only Third Party Property damage up to ₦20,000.00

Do you require an increase on this limit? Yes No

₦60,000.00 ₦100,000 ₦200,000.00 (Please tick amount required).

HOW WILL CAR BE USED ?

1. Social, Domestic and Pleasure use and Business use by you is covered in all cases (other than 1 c + 1 d below).

- (a) Business use by any other person YES NO
- (b) Carriage of goods in connection with any business. YES NO
- (c) Commercial travelling or use in connection with the Motor Trade. YES NO
- (d) Carriage of passengers or goods for hire or reward. YES NO

If you have ticked any of the shaded boxes please give details on a separate sheet of paper.

DRIVER DETAILS:

(Our normal policy covers fully licenced drivers. Additional Premium is required for learner drivers).

(i) Is insurance to be limited to driving by only one driver including paid driver?

If "YES" please give name.

(ii) Who else will drive other than a fully licenced authorised driver above age 18? Give details on a separate sheet of paper.

(iii) Have you or any person who will drive:-

- a. been involved in any vehicle accident in the last five years? YES NO
- b. been convicted of any motoring offence during the last five years or is prosecution pending? YES NO
- c. been refused motor insurance, had policy cancelled, been quoted an increased premium or had special terms imposed? YES NO
- d. been convicted for any offence of any kind within the last five years? YES NO
- e. suffered from heart disorder, diabetes, fits, or other mental/physical infirmity or are you/they presently taking any prescribed medication? YES NO
- f. suffered from defective eyesight or hearing? YES NO

If the answers to any of the above is YES, please give full details on a separate sheet of paper.

Is there any other relevant information not disclosed above which is likely to increase the risk to be insured?

If answer is Yes, please give full details on a separate sheet of paper.

DECLARATION:

I declare that to the best of my knowledge and belief the answers given to above questions are true and correct.

I agree that if any answer has been written by any other person, such person shall for that purpose be regarded as my agent and not the agent of the Insurers.

I declare that this proposal for insurance is made in good faith and shall be incorporated in and form part of the insurance contract under the normal terms and conditions of the Corporation's normal standard Motor Policy.

Signature of Proposer

Date

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Agent

This insurance will not commence until the Insurers have indicated their acceptance of the proposal and a Covernote or Certificate of Insurance has been issued. The Insurers reserve the right to decline any proposal.

Policy No.