**AEES**

**BUSINESS SERVICES**

**HANDOUT 2/2**

Insurance is a contract under which one party (Insureror Insurance Company) agrees in return of a consideration (Insurance premium) to pay an agreed sum of money to another party (Insured) to make good for a loss, damage or injury to something of value in which the insured has financial interest as a result of some uncertain event.

**Principles of Insurance**:

1. Utmost Good Faith

2. Insurable Interest

3. Indemnity

4. Proximate Cause

5. Subrogation

6. Contribution

7. Mitigation

**Types of Life Insurance Policies**

**Whole Life Policy**

**Endowment Life Insurance Policy**

**Joint Life Policy**

**Annuity Policy**

**Children’s Endowment Policy**

**Fire Insurance**

**Marine Insurance**