Blockchain Overview
What is Blockchain?

Fundamentally a digital ledger system for recording business transactions and events

- **Near real time**: The blockchain enables the near real time settlement of recorded transactions, removing friction and reducing risk, but also limiting ability to charge back or cancel transactions.

- **Trustless environment**: Blockchain technology is based on cryptographic proof, allowing any two parties to transact directly with each other without the need for a trusted third-party.

- **Distributed ledger**: The peer-to-peer distributed network records a public history of transactions. The blockchain is distributed and highly available. The blockchain retains a secure source of proof that the transaction occurred.

- **Irreversibility**: The blockchain contains a certain and verifiable record of every single transaction ever made. This mitigates the risk of double-spending, fraud, abuse, and manipulation of transactions.

- **Censorship resistant**: The crypto-economics built into the blockchain model provide incentives for the participants to continue validating blocks, reducing the possibility of external influencers to modify previously recorded transaction records.
RiskBlock Overview
RiskBlock Value Proposition

First true industrywide risk and insurance consortium cutting across all insurance industry sectors

Multiple Use Case build approaches: Member Only, Collaborative, Solution Provider Focused, RiskBlock Only or a Hybrid of any of these options

Backed by The Institutes and trusted by the Risk and P&C Insurance industries for over 100 years

Partnering with LIMRA to bring Blockchain To the Life, Annuity and Retirement space

Collaborating with multiple industry associations across the Insurance space

Platform agnostic, supporting the building of and communication between various current and future flavors of Blockchain

Use it and lose it philosophy of not storing members important data on the Blockchain

Non-biased, industry focused non-profit and member owned

Build once, use many approach to architecture, use cases and reusable tool kit components

Certified Blockchain Professional and Certified Blockchain Engineer programs

No science experiments! Focused on creating real world production applications that bring value to members

Certified RiskBlock Ready Designations for Solution Providers

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Certified RiskBlock Ready Designations for Solution Providers
Membership: 31 Member Companies and Counting
Introducing Canopy
Use Cases
This Year’s Use Case Goal: 19 Use Cases This Year (4 Underway, More to Come)

<table>
<thead>
<tr>
<th>Problem Addressed</th>
<th>Solution Provided</th>
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| Proof of Insurance | Insurance policy validation is performed both physically and digitally, but the process can be complex and costly  
▪ Institute electronic safekeeping  
▪ Enable real-time access to information |
| Parametric Insurance | Insurance product that is triggered when a low-frequency, high-severity event occurs; only represents a small portion of the P&C market, but has large potential to expand  
▪ Expand parametric insurance offerings  
▪ Automate data collection and contract execution |
| First Notice of Loss | Initial claim made to insurance provider following the loss, theft, or damage of an insured asset; process can be made simpler  
▪ Optimize information flow and notifications  
▪ Facilitate data sharing  
▪ Act as immutable record |
| Subrogation | Exchange between insurers to collect money from the party legally responsible for a loss; opportunity for process to be streamlined  
▪ Facilitate netting of payments  
▪ Optimize costs and streamline process |

**Potentially Improved Operational Areas of P&C Value Chain**

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<td>Proof of Insurance</td>
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<td>First Notice of Loss</td>
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Potential Insurance Use Cases

**Life & Annuity**
- Intermediary Elimination
- Improving Back-Office Operations
- "Simplified In-Force Transactions"
- Automated App Triage
- Health Records
- Client Onboarding
- Insurance "smart contracts"
- Near Real-Time Data/Dynamic Pricing
- New Policy Applications
- Scanned Documents For Associated Transactions
- Settlement Information For Transactions
- Additional Policy Payments
- Disclosures Associated With Transactions
- Product Exchanges
- Product Data and Associated Rider Data
- Agent Profile Data
- Client Profile Data
- Product and Agent Certifications
- Product Illustrations
- Agent Compliance Information
- Claims Data (Life Insurance Only)
- Policy Documents For Delivery To End Client

**Property & Casualty**
- Proof of Insurance
- First Notice of Loss
- Parametric Insurance
- Subrogation
- Fraud Prevention
- Automated rule-based claim processing
- Claim assessment
- Claim payment
- Improved transparency in compliance
- Improving value-added service capabilities for brokers / agents
- Innovation of P2P Insurance
- Providing history of assets / client events (KYC)
- Loyalty Programs
- Enhancing direct sales opportunities
- Better placement of non-standardized or specialized risks
- Underwriting among multiple insurers / co-insurance
- Underwriting / risk assessment
- Quoting and premium collection
- Online Insurance "Navigators"
- Fine Art Tracking

**Reinsurance**
- Contracts & Claims
- Operating Entity Standardization
- Global Risk and Financial Management
- Transactional Accounting
- Cat Bonds and ILWs
- Reinsurance Facilities and Exchanges
- Multi-Layer Application/Burn-Down

**Multi-Line/Miscellaneous**
- Peer-to-Peer Insurance
- Group Formation
- Predictive Risk front end to Reinsurance Exchange
- Investor Program
- Group Financial Activities
- Behavior Based/Risk Based Need
- increase the types of insurance covered by online insurance aggregators
- Micro Insurance
- Identity Management
- Surety Bonds
- Group Insurance
- Workers Comp

**Regulatory/State Gov**
- Premium Tax Automation
- Uninsured Motorist
- Auto Title
- Regulatory Reporting
- More personalized (differentiated) quote and coverage support
Questions