Image of Insurance...?
Providing rescue
Care taking
Reality check
Insurance Industry Contract and Data Chain

Policyholder → Insurer → Reinsurer → Retrocessionaire

Loss Event → Data → Frictional costs

Cash flow → Latency
Blockchain Roundtable

Chain Reaction Causing Settlement Latency

Loss Event

Policyholder

Insurer

Reinsurer

Retrocessionaire

Contract uncertainty

Sign-offs

Late adjustments

Valuation differences

FX

Timing differences

Reconciliations

up to 4 months settlement latency
Risk to all Stakeholders and the Shareholder

- **CREDIT RISK**
  - Cash and paper flow trapped across the chain

- **FINANCIAL REPORTING RISK**

- **OPPORTUNITY COST OF CASH**

Loss Event

Policyholder → Insurer → Reinsurer → Retrocessionnaire
Knowing yourself is the beginning of all wisdom
- Aristotle

“Placing a risk in the London market still requires a plethora of paper”

“Back office systems are unable to communicate with each other”

“There is multiple entry of exactly the same data into numerous operating systems”

“Syndicates are unable to mine their own data.”

Inga Beale, CEO Lloyds’s of London

FT’s “Future of Insurance” conference, 2015
Blockchain Insurance Industry Initiative

1. **Base Use Case #1: INTRA-PARTY**
   - Within network of retrocessionaires and retrocedents within one group (Intra-Group Retrocession: IGR)
   - Retrocedents and retrocessionaires within same group
   - Internal retrocession relationships

Once proven, extend network across insurers, reinsurers, retrocedents, retrocessionnaires

2. **Extend network externally across the industry**

**Extended Use Case #2: INTER-PARTY**
- Within the reinsurance markets covering cessions between insurers, reinsurers and retrocessionnaires

Illustrative relationships:
- **SR**
- **Munich Re**
- **Aegon**
- **Allianz**
- **Zurich**

*SWISS RE*
Target Operating Model
# Filling a Gap

<table>
<thead>
<tr>
<th>Standards</th>
<th>Banking</th>
<th>Re/insurance</th>
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<th>What customers want</th>
<th>Banking</th>
<th>Re/insurance</th>
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<tr>
<td>trusted, T+0, global</td>
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<td>fast, hassle free, transparent</td>
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Gap to fill

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Swiss Re
One More Thing

• Be prepared to invest your own money first

• Solve economic problem, not technical

• Define solution in iterations

• Remain competitive
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