

 Demotech, Inc.



)65V VLQFH DQG)UHGGLH 0DF KDXUDG F HSKMLH/GWLR R HPSM
 OHJDF\ UDWLQJ DJHQFLHV KDG D+ RZHQIHL F DQ WHSURWHFQF KQ
 LW WKH\ ZHRW XQZLEOHL QR UHY UNZI B QXV H G VRHQ VGHIS F SXUDW
 &RPPLVVLRQHU *DOODHFK K UW B VNRHG V LPHRD QMD W WQRJ Q KE HOR U
 'HPRWHFK VWXGLHG WKH VLWXDWMR B IDRXGJ DFJQH LG/ WHRQWR S
 GHPRQVWUDWHG HHSBHWLWGF HD QG GWRIH RIXU VQ R Q D OMLVQ XUH
 FUHGHWLDQHG VMDWHWHDSVWHFKL PDUHNG W VRD UMHKIQ WKH V
 DV PRUH WKDQ HQWLWLHV QDWLRQZLGH

\$V DQ LQLWLDOWSLRLO WHPRFOHDFKIFRIFVBIQLHQV X Q G QFRW LQVXU
 'HPRWHFK GRHV QRW SURYLGH UDWLHQ JX DUHDQDWG \$Q V RVFK BV
)ORULGD +XUULFXQHG & BW B VWURHQQF BU R S WSRWD, VLRQD 'HPR



,Q 'HPRWHFK¶V UDWLQJ SURFHVV WADQKWDW B LGILV EX VS/U WYK
 LPSDFW WKH DVVLJQHG)65 ,Q)WRUDGDKR XHK SWKH VSDV SU
 JHQHUDOO\ EHHQ HOXVLYH PDQ\ RD FWLHR Q HSYOLD/QHG KEDYHL QHIV
 DQG PDQ\ FDUULHG V)65DYRI \$XRW EHQV WHU

:KHQ DQ LQVXUDQFH FRPSDQ\ FKDQJHUVL WVD EX M/QHQ/ V VP R C
 HQYLURQPHQW SRVLWLYH RU QHJE WDLWL JQHBR)W5FK QXOVO
 'HPRWHFK FRPPXQLFDWHV ZLWK WKH\ LQW XEIHOU HWRI X QVKDUW
 EXVLQHV SODQ PLWLJDWHV KLVEOR U LFDVX B Q M UMDKHL QJ D WURLV
 SUH WD[XQGHUZULVQL Q R SHU R Q W W D E Q P D H W H F R Q M H F D G G L W L F
 LQIXVLRQV WR VXSSRUW WKH LPS Q B P HQ W D X V L R I Q X H Q D U M R L
 LPSOHPHQWDWLRQ RI LWV UHVLV H B VEXOM Q HDUM PFRPHSD U B I G W
 RSHUDWLQJ UHVXOMW GLOF XW KH I Q Q D W K E F R Q S D Q \ K H D Q D S S U
 JLYHQ WKH LQGLYLGXDO FLUFXPV W D W I R I Q S U R D F H W D W N Q E L V Q
 LQVXUHU¶V LPSOHPHQWDWLRQ RI D X U H L F H B Q W D W R U H M D H F W D H
 RI WKH UHPHG\ LPSOHPHQWHG E\ PDQDJHPHQW

7KURXJK 'HPRWHFK¶V DSSHDO SURFHVVUW XLOLWU WURV FBWHU HD
 RPLVLRQV RU PLVSHUFHSWLRQV IRW SHURRW G F K Q G G L R Q L R C
 \$GGLWLRQDO UH B R H Z R V S H U H F X W U E X D W P H R W H F K W R Q H Y D Q
 FDSLWDO LQIXVLE B M B H U R G U R H D M F Q D L G H E U D W V L R Q K D U H L C
 GLVFUHWLRQ EDV H B P S O D Q L Q G U F R B W W D Q Q B H V W L B H U I U D P H W
 UHPHG\ LV GLVWHL Q G W D I Q B R L D Q R D S J X K H U D Q W X I D G F H 6 R I Q B D W L C
 OHWWHUV WR FRPSDQLHV RXU DQD D Y V W V L Q D Y X U B H H M Q K B R P
 GLVFVLRQ DQG UHFHLYLQJ DQ Q F R Q V L G H U L Q J D G G L W L R

,QVXUHU FKR RVH WR ZRUN ZLWK 'HPR W W B Q G D D G V H P R Q V H F I
 RI *6(V LQ RUGHWL Q R V R M H H U Y I D F H D W I R H L Q V Q L I D F H S W F B F D S F R Q) 6 5
 E\ D *6(LQ 'HPRWHFK KDV FRPPXQLQ G W P H G V K R G R I D R W L
 LQVXUHUW W K D W H W U H I P I R W Z H F B Q K B W D K O L Q R V S U R V L Z L H V G K D Q R
 GLVFV V L V V X H V Q W K D F W L R S D F W K U B R I J K H W K H D S S W I D S O H S U L
 RSSRUWXQLWLHV DQG UHPHGLHV W R Q D X E V O H D M Q R D Q R) 6 B R R M
 UH D V R Q V F R P S D U D E O H W R W K R V H 2 J 5 D W I B H U H U G Q F H G Q L K Q
 3URSHUW\ ,QVXUDQFH 6WDELOLW\ 5HSRUW GDWHG -XO\

'HPRWHFK FRQFXUV ZLWK 2,5 ± UDREQH F W I D Q G O U D G V I K R Q V
 QRWHG DERYH 'HPRWHFK KDV GRQH WR XFLQFHV IXOO\ 6 Q B M L
 GLIILFXOW UHVLQV D L O F H S P D R S N H M S H O L Q H F H W R / D H U I H F P S U R Y H
 VXVWDLQ WKH DVVLJQHG)65 2WKM ERPKIDYUHQQRWF W 7MKN HE
 HIIHFW RI PXOWLS D Q I I D F W R D W H I P S O F H V I P G H U Q W W S O D Q F X L Q F C
 RU QHJDWLYH H[WHUQDO IDFWRUVDQ XIFK X D V D W R D W K H I T X L C L
 UHVSHFWLYH FDSDELOLWLHV DQG FRPPSHQWH QVFLDIP R I Q I G D E Q
 PDUNHWV \$QDO\VVV NQRZ RXWFRPHV DIIHFW UDWLQJV



