

 Demotech, Inc.



)65V VLQFH DQG)UHGGLH ODF KDXUDG F HSKMLH/GWLR R HPSM
 OHJDF\ UDWLQJ DJHQFLHV KDG D+ R Z HQ IIL F D Q W H S P R W H F Q F K Q
 LW WKH\ ZHURH X Q Z L E O O H L Q R U H Y U N Z I B Q X V H G V R H Q V G K H S F S X J O D H
 &RPPLVVLRQHU *DOODHFKK UWB V R H G V L H A R D Q W W L O R J Q K E J O R U
 'HPRWHFK VWXGLHG WKH VLWXDWMR Q I D R X G J D F R U H L G / W H R Q W R S
 GHPRQVWUDWHG H S S H W L W G F H D Q G G W R S I H R I X U V O R Q D O M H Q X U H
 FUHGHWLDQHG V M D W H H D S S W H F K P D U H O W V K R D U M K I H Q W K H V
 DV PRUH WKDQ HQWLWLHV QDWLRQZLGH

\$V DQ LQLWLDOWSLRLO W H P I R F O H D F K F I R D V D I Q L I H Q V D Q G Q F R W L Q V X U
 'HPRWHFK GRHV QRW SURYLGH UDWLQJ X D U H D O W G \$ Q V R F K B V
)ORULGD +XUULFXQHG & B W & V W U R S Q F B U R S H S R W D , V R Q D ' H P F



,Q 'HPRWHFK¶V UDWLQJ SURFHVV WADQKWDWBLGLVEXVSUWYK
 LPSDFW WKH DVVLJQHG)65 ,Q)WRUDGDKRXHK SWKHVSUWYK
 JHQHUDOO\ EHHQ HOXVLYH PDQ\ RD FWLHR QHSYOLDQHG KEDYHL QHIV
 DQG PDQ\ FDUULHG)65DYRI \$XRW EHQVWHU

:KHQ DQ LQVXUDQFH FRPSDQ\ FKDQJHUVLWVWDEXMVQHQVLPVR
 HQYLURQPHQW SRVLWLYH RU QHJEWLWMLJQHBR)W5FK QXOVO
 'HPRWHFK FRPPXQLFDWHV ZLWK WKH\ LQW XEIHOU HWYRIK QVGHUW
 EXVLQHV SODQ PLWLJDWHV KLVEORU LFDVX BQM UMDML QJ DORLV
 SUH WD[XQGHUZULVQLQRSHURQLWDEQPDHWHFRQMLHFI DGGWLWLF
 LQIXVLRQV WR VXSSRUW WKH LPSQBSPHQWQVLRICXHQDWUMYR L
 LPSOHPHQWDWLRQ RILWV UHYLVH B VEXOM Q HDUM PFRPSOUBHGW
 RSHUDWLQJ UHVXOMW GLQF XWKHIG QDQWFRQSDQ\KHDQ DSSU
 JLYHQ WKH LQGLYLGXDO FLUFXPVWDQFRIC SU RFDHWVW NQ ELVQ
 LQVXUHU¶V LPSOHPHQWDWLRQ RIXUHLFH B Q WDW RU HMDHOFVDF
 RI WKH UHPHG\ LPSOHPHQWHG E\ PDQDJHPHQW

7KURXJK 'HPRWHFK¶V DSSHDO SURFHVVW XLOLWUWURVFRWHH
 RPLVLRQV RU PLVSHUFHSWLRQV IRW SHURRWGFKQ GGLVLRQ
 \$GGLWLRQDO UHGRHQRVS HUHFXWUHXDWRPHWHFKVWRQHYDQ EXV
 FDSLWDO LQIXVLEQM BMHURG URH DFRQGLGHEUXDWVLRQ DUH LQ
 GLVFUHWLRQ EDVH BPSO DQV L QGULF B W W D Q B HV W L BPHUI UDPH W
 UHPHG\ LV GLVWHLQFWDIQRLV D Q RVSJXKHU D Q WXIDHGF H 6RLIQFDWL
 OHWWHUV WR FRPSDQLHV RXU DQDQYVWV LQVXU B HMQK DRP
 GLVFVLRQ DQG UHFHLYLQJ DQG FRQVLGHULQJ DGGWLWR

,QVXUHU FKRVRH WR ZRUN ZLWK 'HPRWWBQ GDDQG VHPQV HFI
 RI *6(V LQ RUGHULQ RV RM HHUJ IDF H DWIRH VQ V Q LQDFH M B B FDSFRQ)65
 E\ D *6(LQ 'HPRWHFK KDV FRPPXQLQG WPHGV KRG RORWL
 LQVXUHU WDWHLW UHPIRHZHF B Q B D KOLVRV SURYLZLHVK DQ R
 GLVFV LVVXHV QW KDFW LPSDFWKUB RJK HWKH DSSWLDQ/H SUL
 RSSRUWXQLWLHV DQG UHPHGLHV WR QDXEONH MQR DQR)6B RRM
 UHVRQV FRPSDUDEOH WR WKR VH 2J5 DWHH HUHGH QF H Q Q LQD
 3URSHUW\ ,QVXUDQFH 6WDELOLW\ 5HSRUW GDWHG -XO\

'HPRWHFK FRQFXUV ZLWK 2,5 ± UDREQHFWIDYQGDUDGQGVFRQV
 QRWHG DERYH 'HPRWHFK KDV GRQYWRV XLFQFVHIXOO\6Q BML
 GLILFXOW UHVLCVXUWLODFH SPDRSHHMSHOLDQHF HWRV DHU I HFRS URYH
 VXVWDLQ WKH DVVLJQHG)65 2WKMEPRPKDYUHQRWF W 7MKIN H
 HIIHFWRIPXOWLS DQJIDFWRDWHLPSDFH I P Q W W S O D Q V X L Q F C
 RU QHJDWLYH H[WHUQDO IDFWRUVDQXIFK XQD V R D W KHU X L Q L
 UHVSHFWLYH FDSDELOLWLHV DQG FRPPSHQW QVFLDIP RDIQDEQ
 PDUNHWV \$QDO\VVV NQRZ RXWFRPHV DIIHFV UDWLQJV



