The Digital Insurer – Start Up InsurTech Award – Blocksure
Application Statement – June 2019

Organization	BLOCKSURE
Organization Background	- June 2016 – Blocksure founded - Jan 2017 – PoC Complete - May 2017 – Market testing complete - Sept 2017 – First order received - Dec 2017 – Jan 2018 – re-platformed from Quorum to Corda due to better data privacy, good fit with our tech stack and the rapid progress made by R3 in building the platform. - Nov 2017 – Digital Risks – Blocksure voted one of five favourite startups - May 2018 – PwC Scale Programme – Selected as one of the nine brightest international InsurTechs - July 2018 – First product launched with UK broker & insurer - October 2018 - Selected as top 100 Global Insurtech - May 2019 - 6 senior positions recruited
Vision	Our vision for insurance processing: Mobile, Once, Real time, Safe
Proposition	Blocksure OS is an integrated, scalable platform that handles sales, policy administration and claims processing in a single infrastructure. We have combined a mix of cutting edge blockchain technology with proven enterprise technology to ensure unprecedented transaction security and integrity. Due to the scalability of Blocksure OS, we have worked on products across a number of insurance business segments. The core functionality is applicable to all these lines: - SME Life - Schemes - Micro insurance - Sharing economy - Personal lines - Travel
Management Team	Ranvir Saggu (CEO), Jay Carey (Chief Architect), Chris Hamilton (CTO), Dorota Zimnoch (Chief Commercial Officer), Peter Temperley (Director of Operations)
Location	London – Core Team, NY – Bob Zilg (adviser)
General Description	The insurance industry has a number of major issues and these are driven by a lack of investment in a number of areas, especially technology. This lack of investment has led to major issues e.g. slow manual processes with high error rates and data quality issues. The impact on consumers is: - Large proportion of premiums consumed by distribution & processing costs and not contributing to the risk protection that is paid for. For some products, up to 65% of the premium paid by a customer can be eaten up by distribution and processing costs - Fragmented and poor customer service with different systems for sales, policy admin and claims Blocksure OS provides full cycle capabilities for all sales, policy administration and claims across affinity partnerships, brokers, MGAs and insurers. The following processes are all automated and real time across the whole value chain: - Sales - New business and mid term adjustment processing including issuance of all documents to client web application - Policy administration - Full automated to keep all parties in sync and requires very limited back office processing - Claims reporting and payment - Client money management and reconciliation - Claims registration and first notification of loss file make up - All accounting entries - Full customer analytics to understand customer behaviour and interaction with web front end

	• Sales and conversion MI • Client web application for all customer interaction i.e. new business, policy amendments, claims registration, payment tracking and cross sales Some of the key benefits are: • Major improvement in customer service delivery • Dramatic reduction in back office costs - First customer estimate savings of well over 50% • Transaction speeds of seconds not months (current operational timescales) • Vastly improved data quality and governance • Complete transparency
Blockchain & insurance	The insurance industry and market typifies a distributed ledger implementation scenario in every way. At the legal entity level, network actors trust each other to send and receive funds based on contracts (i.e. policies) that are created by insurers but then sold on and then managed by brokers. At the smart contract level, the insurer needs to know that the platform will mandate that the broker is selling policies that they the insurer has ensured are valid and correctly formed, and that funds received from policy holders via the broker are received and apportioned correctly. Lastly, at the network level, many brokers can work with many insurers, but only the data that is relevant to policies that they are both directly involved in should be shared - and this is guaranteed by the corda point to point data distribution mechanism.
Example financial impacts	Example financial impacts of Blocksure OS on: (a) Operating expenses (b) Loss ratios (c) Written premiums Operating expense Three of the projects that we have undertaken show the actual benefits that Blocksure OS delivers: - 1. Millennial Renters product – 90% reduction in back office costs for the broker 2. SME Group Life Scheme in the UAE – Current unit cost is US$4,000 and Blocksure OS reduces this to US$1,000 3. Microinsurance product in Indonesia – Back office processing costs per policy across a value chain with 4 parties involved in the supply chain are less than US $0.50 Written premiums All the products areas we are working on are new products for our customers and they estimate that revenues in each product line will increase: - 1. Small independent broker will generate £1m additional premium in 3 years 2. Global insurer predicts an extra US$ 10m from new product in a single geographic market in year 5 3. Microinsurance project could generate in excess of US$75m by 2022 (edited) Loss ratios 1. Quicker handling of claims, especially involving data transfer between claims handlers and brokers. This results in a marked improvement to the customer experience.