



Crescent United

Company Overview

Crescent United | Mission



Ensure solid and profitable decision-making through intelligent use of data

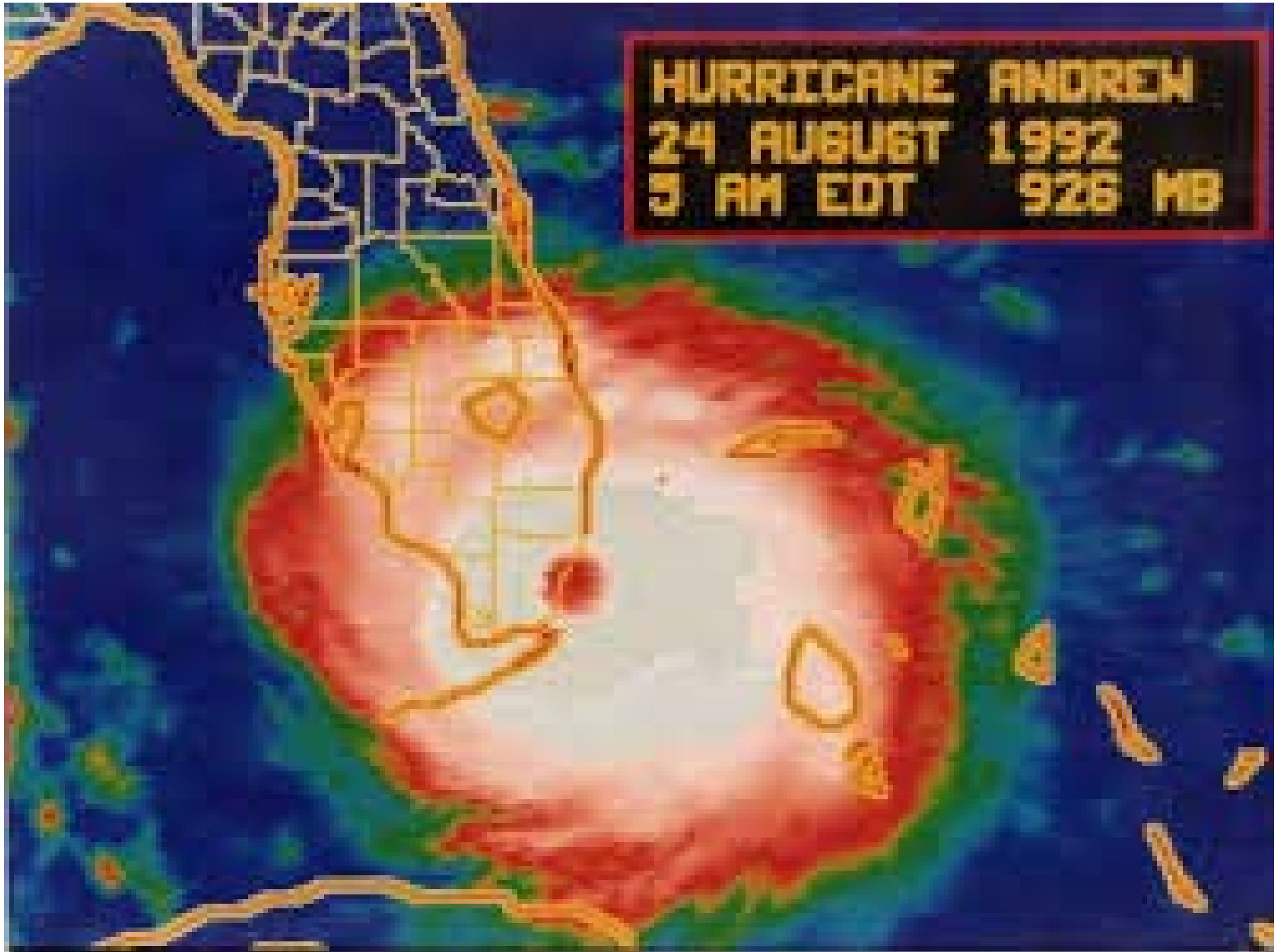
Re/Insurance Dealmaking



Re/Insurance Dealmaking



HURRICANE ANDREW
24 AUGUST 1992
3 AM EDT 926 MB



Hurricane Andrew



In 1992, costliest hurricane in U.S. history at the time

The hurricane caused more than \$15.5 billion in insured property losses (1992 USD)

That's roughly \$26.5 billion in 2016 dollars!



Northridge Earthquake



In 1994, costliest earthquake in U.S. history at the time

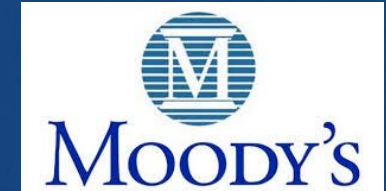
Northridge caused more than \$12.5 billion in insured property damages (1994 USD)

That's roughly \$20.2 billion in 2016 dollars!

Tighter Risk Management



Insolvencies brought upon
stricter underwriting and risk
management practices and
policies



Catastrophe Modeling Companies



AIR founded in 1987 in
Boston, MA

Brought to prominence by
Hurricane Andrew



RMS founded in 1989 in
California as EQ Modeling
company

Brought to prominence by
Northridge EQ

More Catastrophes, More Insolvencies



2001: 9/11 WTC Attacks - \$19 Billion in insured property losses (roughly \$26 Billion today)

2005: Hurricane Katrina - \$41 Billion in insured property losses (roughly \$56 Billion today) – costliest insurance event in U.S. history

Notable Classes of Reinsurance Companies

"Class of 1992 (Hurricane Andrew)"	"Class of 2001 (9/11 Terror Attacks)"	"Class of 2005 (KRW) "
Cat Ltd	Allied World	Ariel Re
Global Capital Re	Arch Capital	Flagstone
IPC Re	Aspen	Harbor Point
La Salle Re	AXIS	New Castle Re
Mid Ocean	Endurance	Lancashire
Partner Re	Max Re Capital	Validus
RenRe	Montpelier Re	
Tempest Reinsurance	Platinum Underwriters	
	DaVinci Re*	
	Olympus Re**	

Catastrophe Modeling



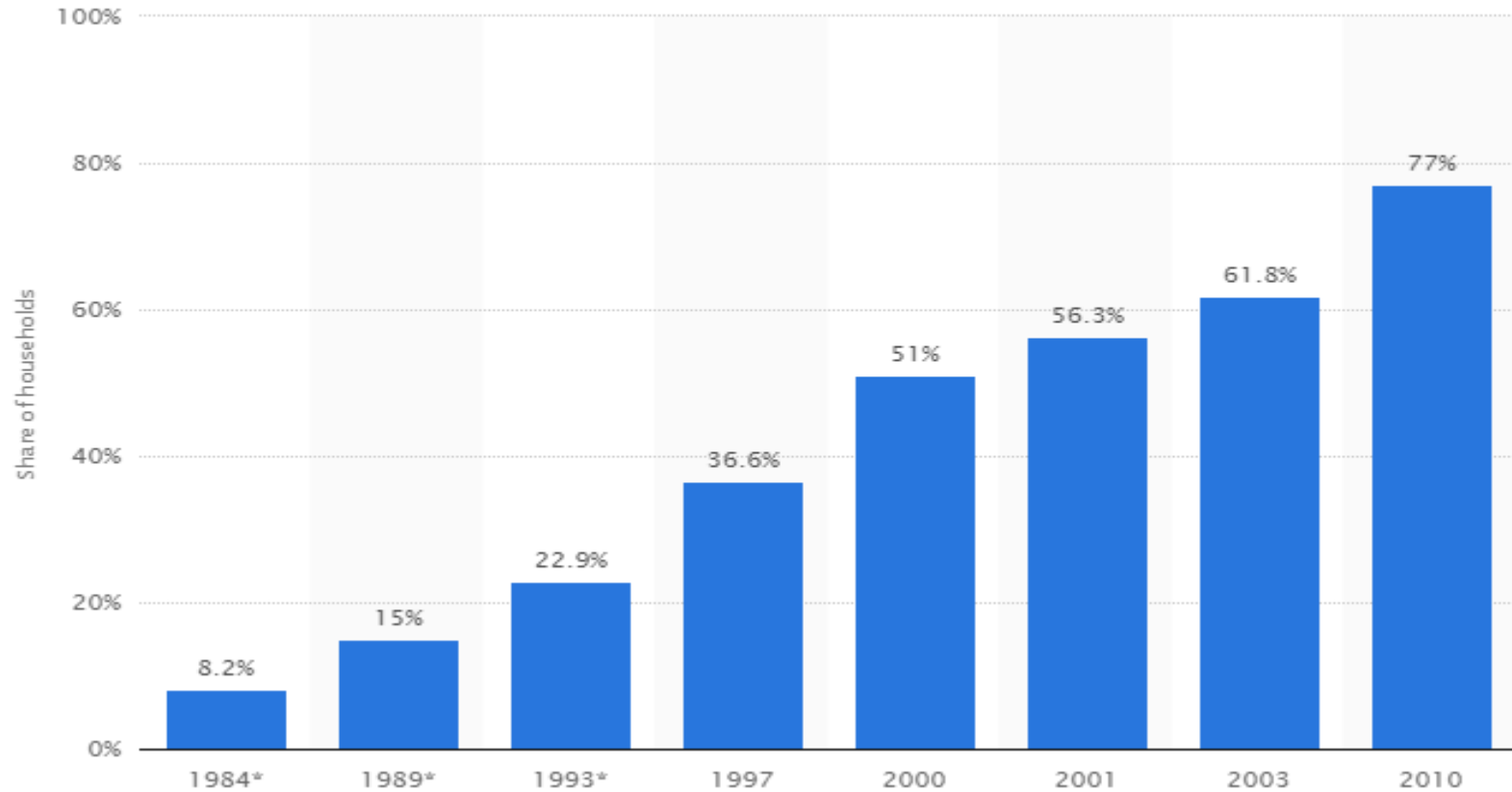
Companies that survived and thrived despite major catastrophes exhibited disciplined underwriting with intelligent use of Cat Modeling

Catastrophe Modeling



Today, nearly all property re/insurance companies utilize cat models to manage and price catastrophe risk

Growth in Information Technology



Percentage of households with a computer at home in the United States from 1984 to 2010

Catastrophe Modeling Abuse



Cat models are tools not solutions

Catastrophe Modeling

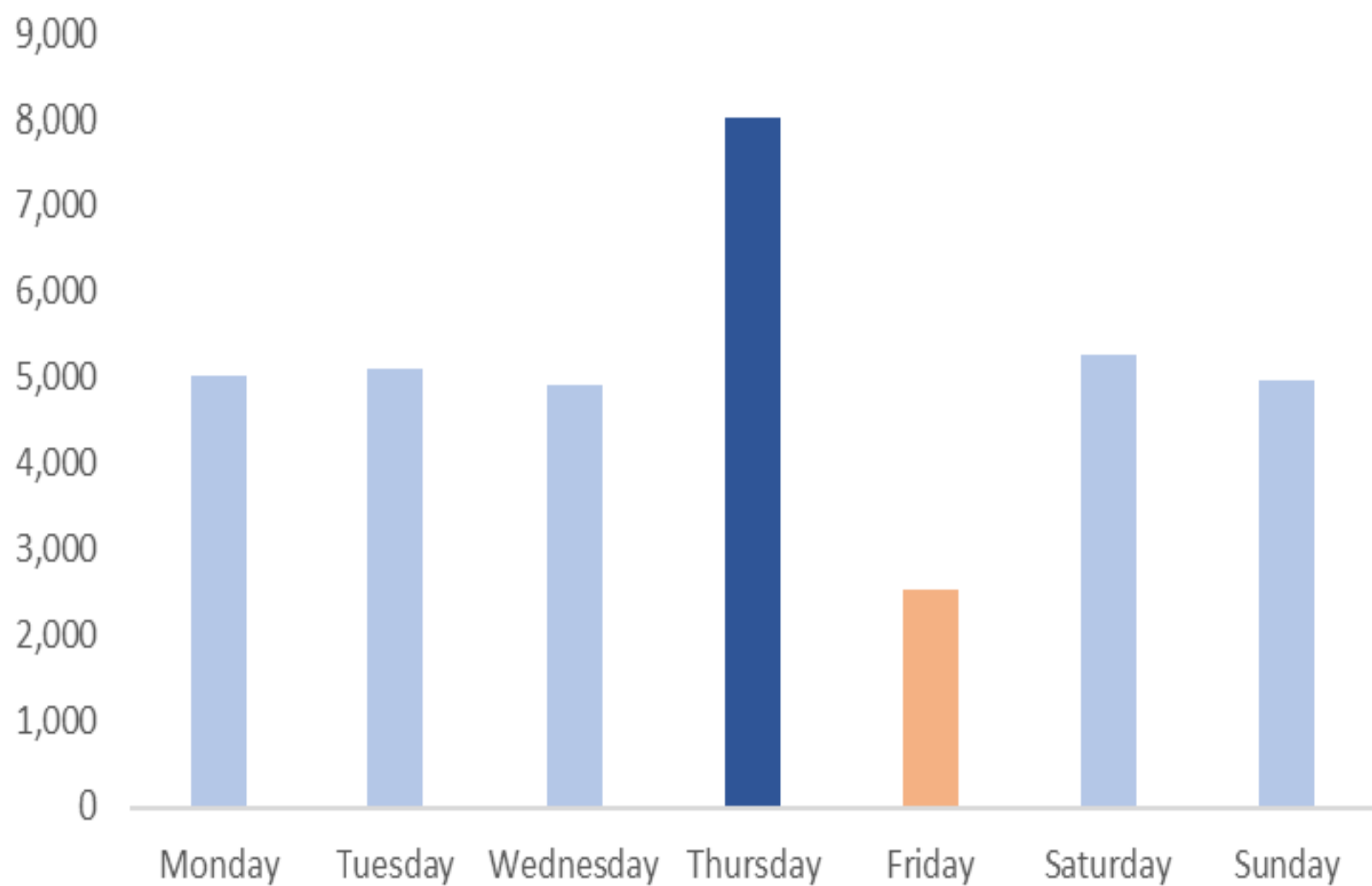


Great Uses for Cat Modeling



Benchmarking

FitBit Step Counter





Exposure Management



Aggregate / Accumulations Management



Challenges with Cat Modeling

Catastrophe Modeling Challenges



How to use?

Catastrophe Modeling Challenges



How to clean up data?

Catastrophe Modeling Challenges



How to interpret and use results?



How to communicate results to non-technical
personnel

Catastrophe Modeling



Rating agencies require modeling results to
evaluate financial strength of Company





Using Data to aid in decision-making process
of your organization



Work with existing software system or help
build Data Warehouse



Capture Data



Clean-up and Validate Data



Interpret Data



Use data wisely: Predictive Modeling



Transmit / Share Data



Reporting of Data – use of a Report Server



Automation of Data

Biggest Challenge with Insurance I/T



Most I/T Professionals in the (re)insurance industry don't know the language or the business of (re)insurance



“I know the biz, I know the technologies,
how can I help?”

Crescent United | Contact



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