



Rising Vulnerability and Risk Awareness

Florida International University – Annual Hurricane Forum

One Carrier's Perspective

Mark Bowsher

**Vice President
Chief Underwriting Officer**

Overview of Hurricane Season

▶ Season: June 1 through November 30

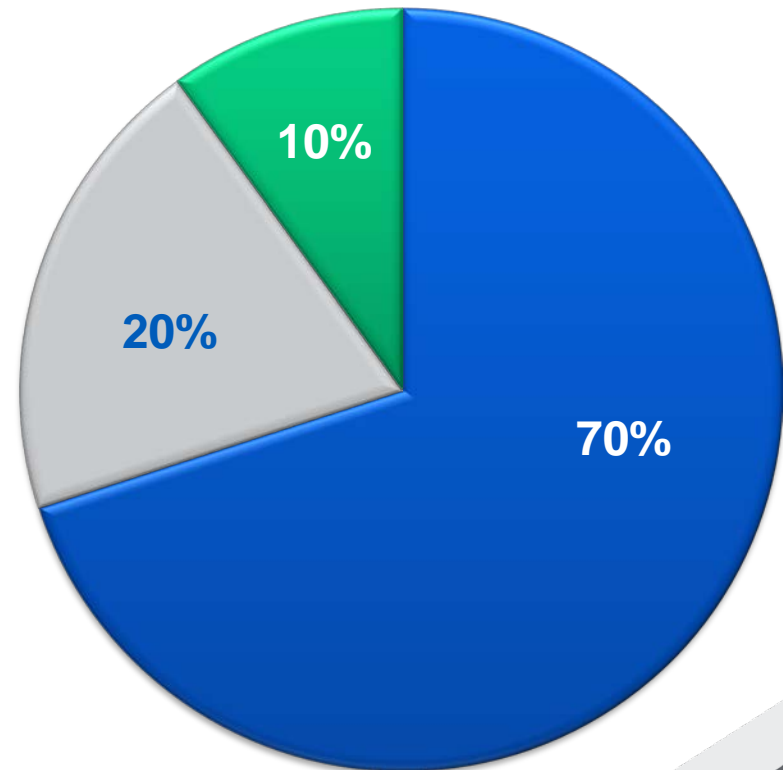
▶ NOAA Predictions

- 6 – 11 Named Storms
- 3 – 6 Hurricanes
- 0 – 2 Major Hurricanes

▶ It Only Takes One

2015 Atlantic Hurricane Outlook Probability

■ Below Normal ■ Near Normal ■ Above Normal



Our Unique “Better Way” Approach

- ▶ Company founders were impacted by skyrocketing premiums for their Florida homes after the 2004-2005 storm seasons
- ▶ Developed innovative approach to providing homeowner’s insurance
- ▶ Focus on upfront investment and controlling costs
 - Control Demand Surge
 - Reduce Fraud and Manage Risk
- ▶ Pass savings to policyholders in form of lower premiums
- ▶ 10th Largest Homeowner Insurance Company in Florida
- ▶ 140,000 Policyholders
- ▶ Affiliated with Florida’s largest Insurance Restoration General Contractor

Award Winning



People's Trust won the Enterprise Florida Governor's Innovators in Business Award for its pioneering approach in the Florida homeowner's insurance market.

How People's Trust Insurance Assesses Risk and Determines Premiums

Various Policy Types

- ▶ Domestic Carriers
- ▶ Surplus Lines Carriers
- ▶ New Carrier Entrants

Decision-Making Process on Insurance Rates and Premiums

- ▶ Bermuda and London Reinsurance Markets
- ▶ Private Reinsurance
- ▶ Florida Hurricane Catastrophe Fund

PTI Financial Stability and Reinsurance Strategy

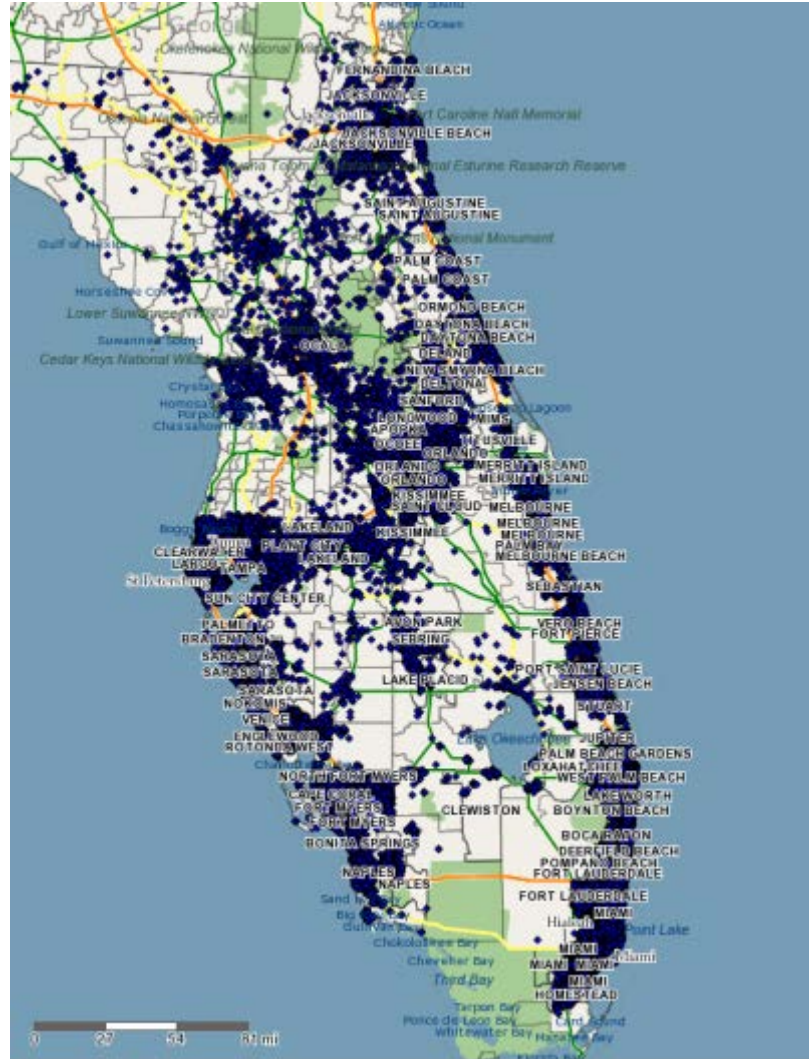
- ▶ Physical and Financial Resources
- ▶ Demotech A, *Exceptional* Rated
- ▶ Traditional Reinsurance Program with “A Rated” Partners



Risk Distribution

HO3 Policy Distribution Map

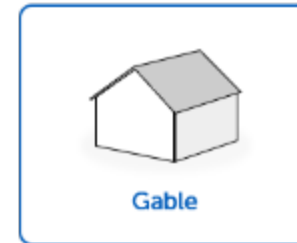
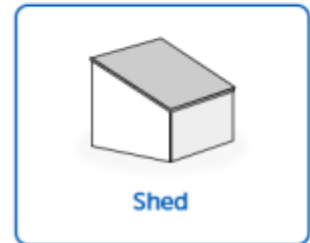
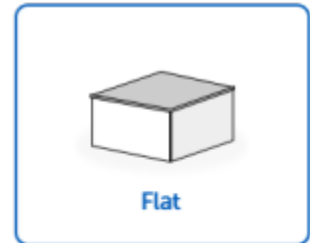
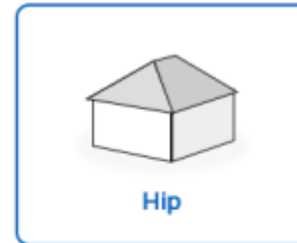
- ▶ Geographically
- ▶ Local (stacking)



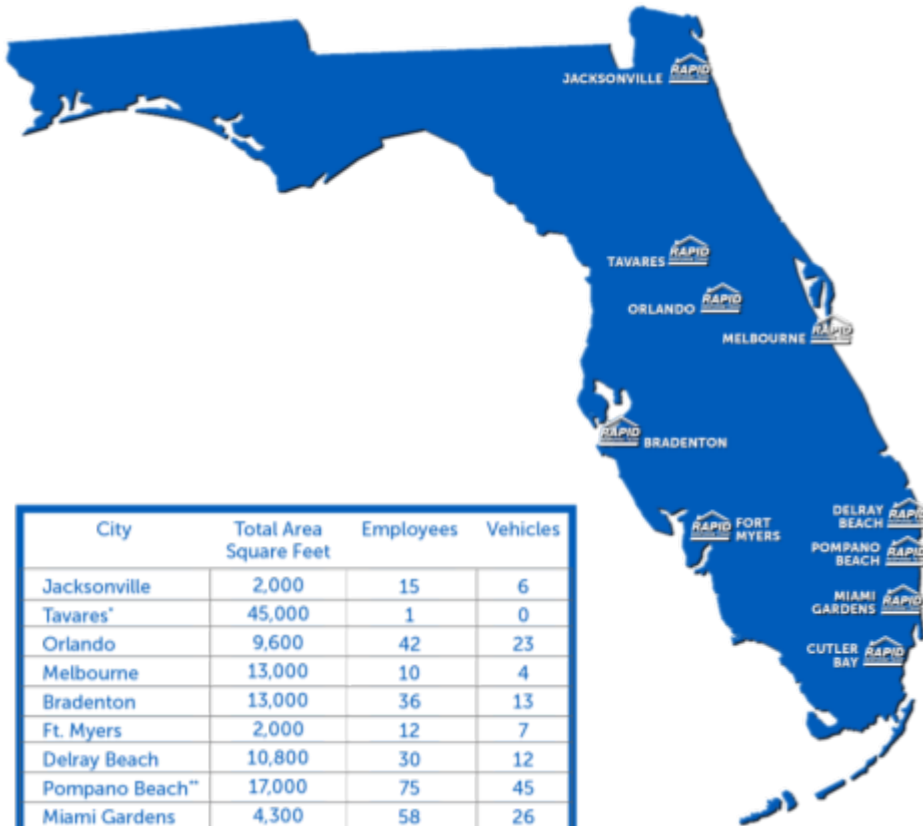
Wind Mitigation Verification Inspections

► Premium credits reflecting a property's "hardness" against wind

- Roof geometry
- Roof-wall connection
- Building codes
 - Prior to 1994
 - 1994 – 2002
 - 2002 and newer



Our Affiliated General Contractor: Rapid Response Team



City	Total Area Square Feet	Employees	Vehicles
Jacksonville	2,000	15	6
Tavares*	45,000	1	0
Orlando	9,600	42	23
Melbourne	13,000	10	4
Bradenton	13,000	36	13
Ft. Myers	2,000	12	7
Delray Beach	10,800	30	12
Pompano Beach**	17,000	75	45
Miami Gardens	4,300	58	26
Cutler Bay	18,900	18	6
TOTAL	135,600	297	142

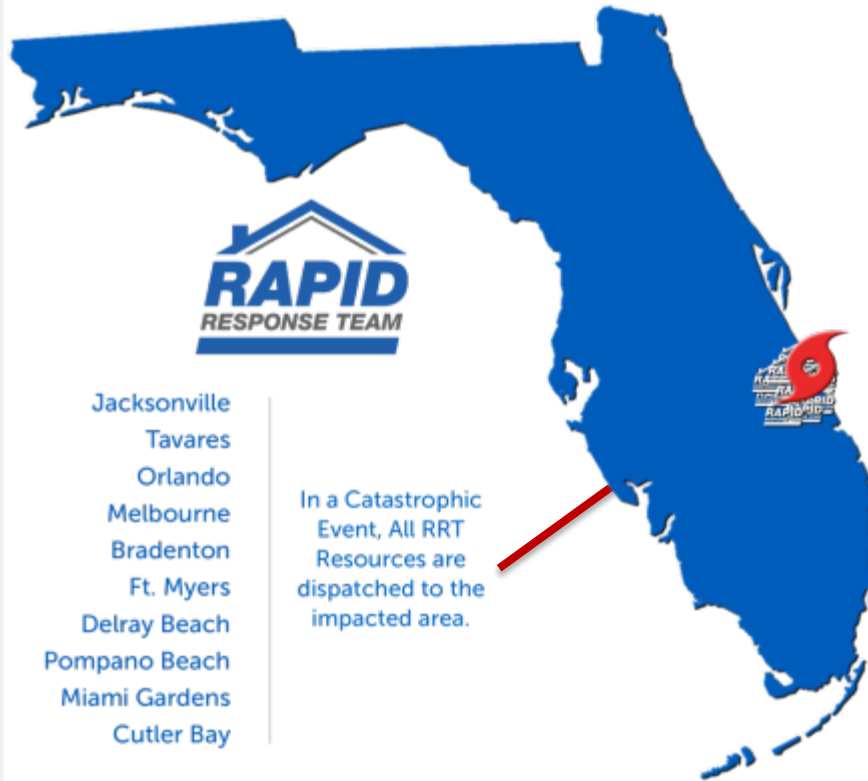
* CAT Storage location with over \$1 million in inventory.

** Corporate Headquarters

- ▶ Largest insurance restoration contractor in Florida
- ▶ Performs mitigation, repair and restoration for policyholders to get their homes back to pre-loss condition.
- ▶ 10 Response Centers Serving Florida
- ▶ 297 Full Time Employees
- ▶ 148 Trucks
- ▶ Over 135,000 s.f. of Warehouse Storage Space
- ▶ Stocked with Millions of Dollars' Worth of Disaster Recovery Supplies
 - Water Mitigation Equipment
 - Tools
 - Plywood
 - Tarps
 - Generators
 - Roofing Equipment

Rapid Response Team Catastrophe Plan

- ▶ The event is local – RRT Assets are mobile
- ▶ In the event of a catastrophe, the RRT footprint can easily be increased
 - Additional trucks
 - Additional contract labor
- ▶ Seal the envelope / prevent further damage
- ▶ 5,000 homes/week after a storm
- ▶ 96% of Policyholders within 1 Hour from an RRT Response Center
- ▶ Always reserve the right to make non-repair settlements



People's Trust Hurricane Preparedness

- ▶ Community Preparedness
 - Evacuation routes, community centers, emergency response – utilities
- ▶ Catastrophe Planning – Insurance Carriers
- ▶ FNOL telephone numbers
- ▶ Supplies
 - Water
 - Cell phone
 - Generator
- ▶ Inventory of Contents

Simply a Better Way.