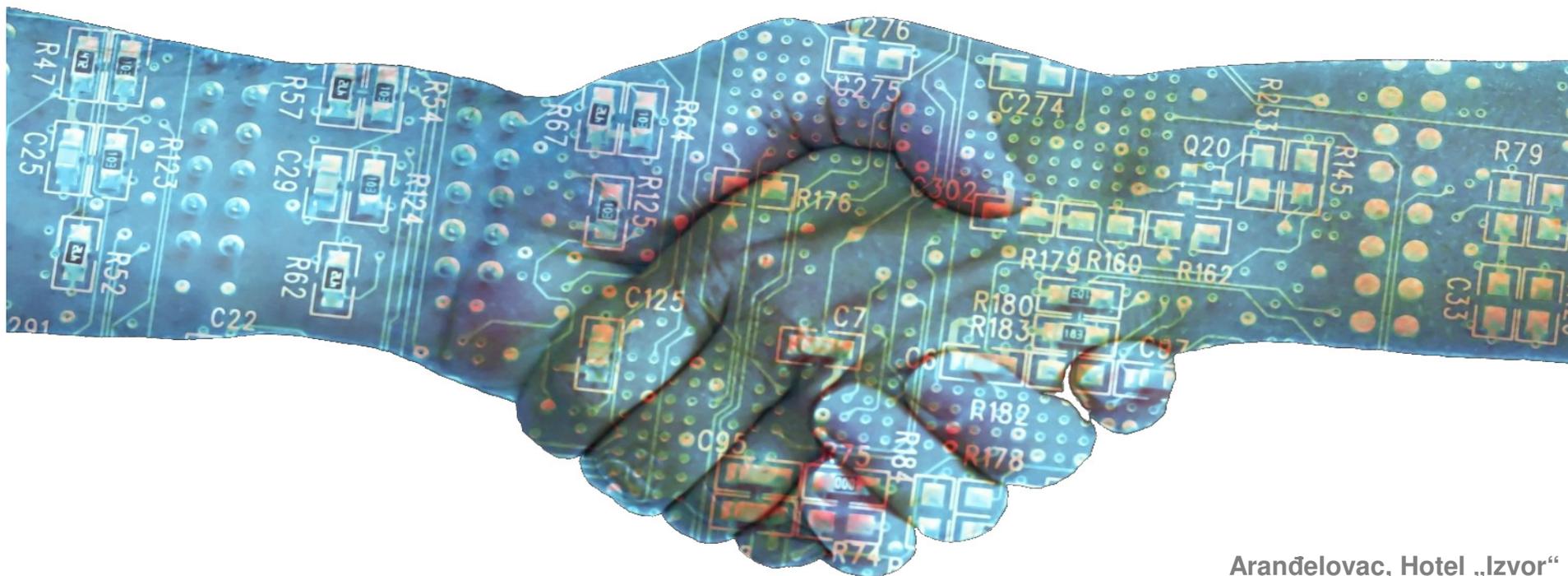


SMART CONTRACTS in Insurance

XVI MEĐUNARODNI SIMPOZIJUM
NOVI IZAZOVI NA TRŽIŠTU OSIGURANJA



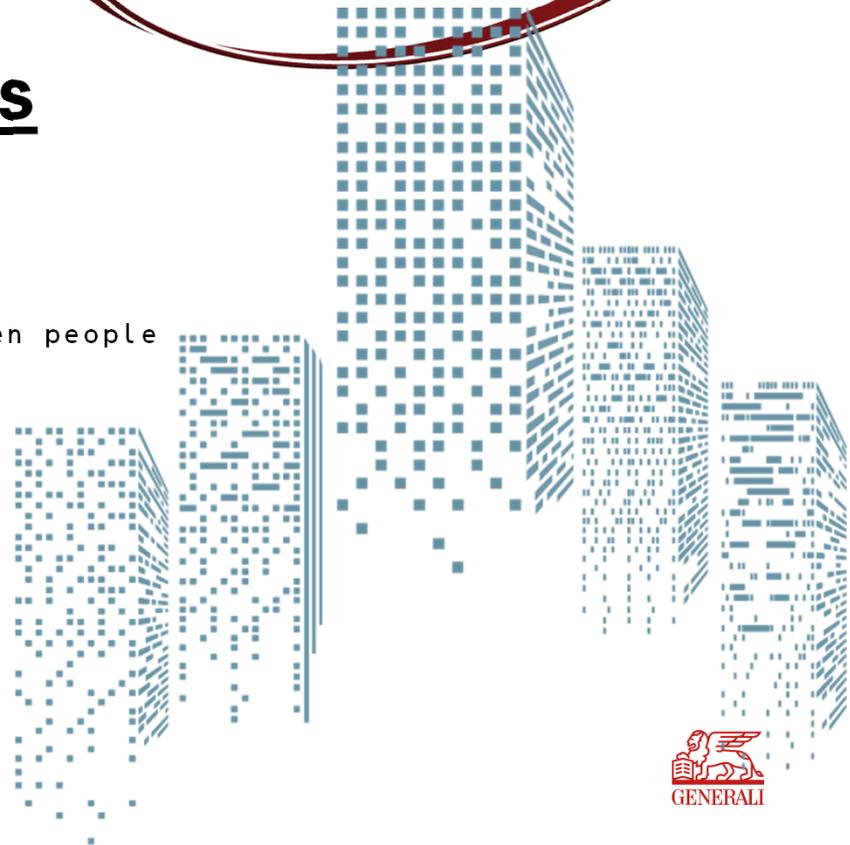
PROBLEMS in Insurance Industry?

fragmented data sources workforce
 customer interaction
 manual claim review inefficient data fraud
 distribution channel inefficient data sharing



Blockchain smart contracts in insurance

If the internet has reduced distances between people,
 blockchain technology aims to minimize mistrust between people

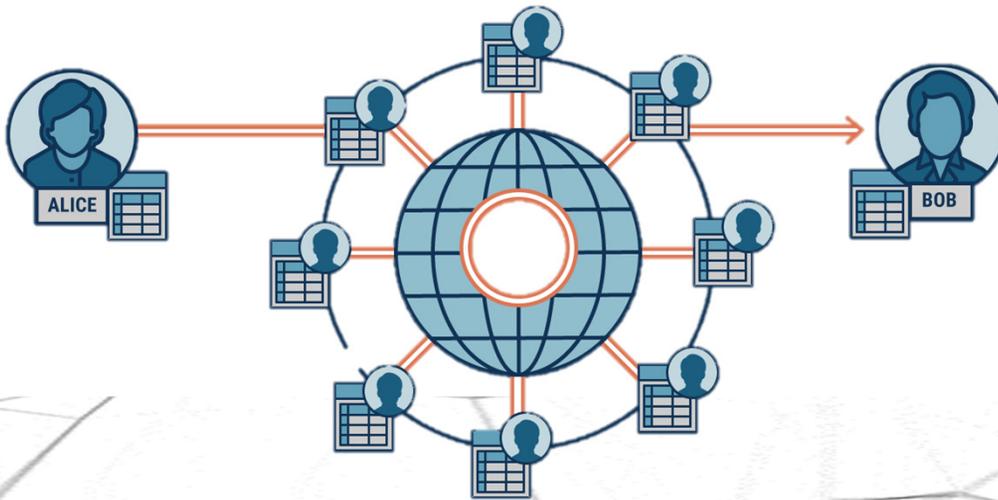




What is Blockchain Technology?

BLOCKCHAIN TECHNOLOGY

The blockchain is an incorruptible digital ledger of economic transactions that can be programmed to record not just financial transactions but virtually everything of value

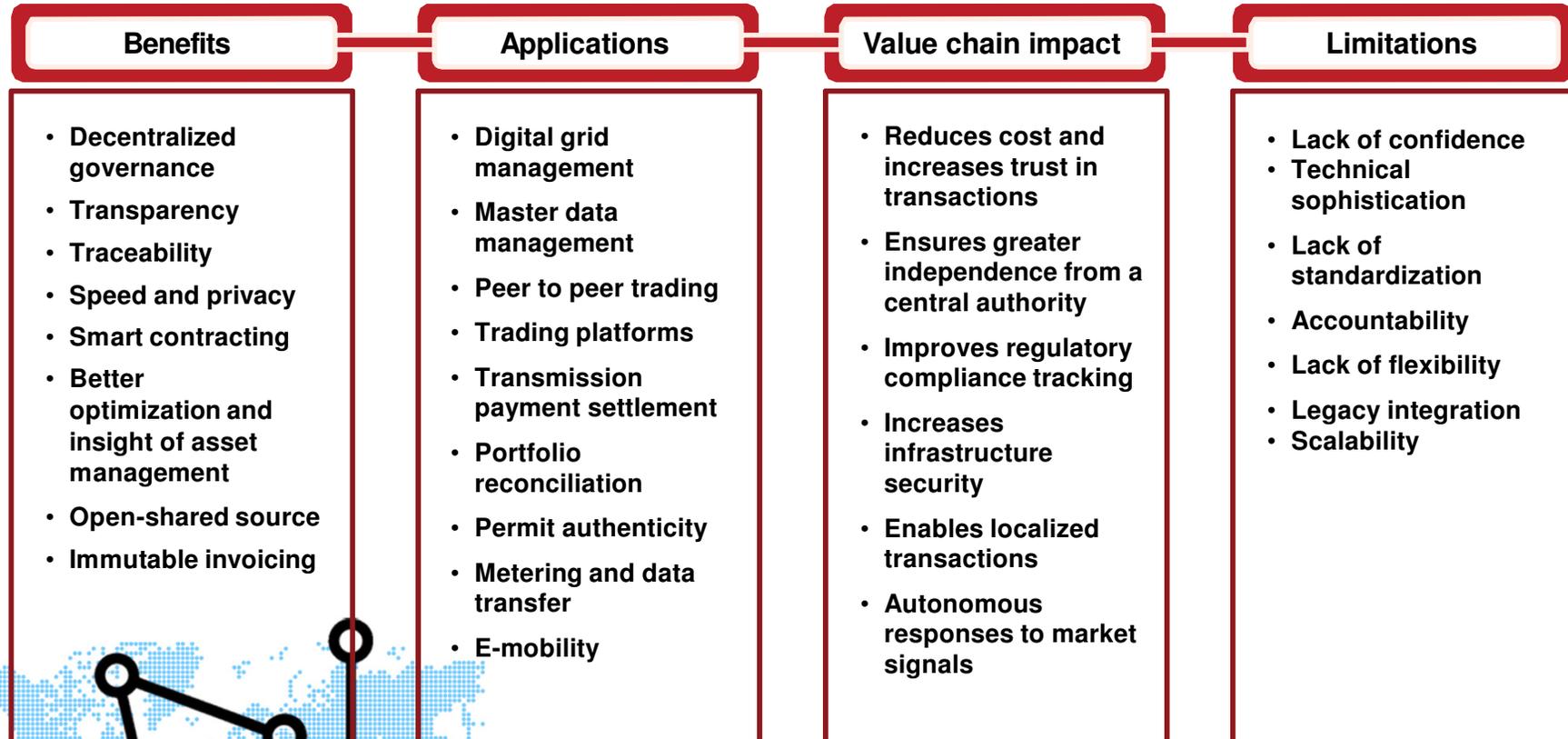


Each “block” represents a number of transactional records, and the “chain” component links them all together with a **hash function**.

As records are created, they are confirmed by a distributed network of computers and paired up with the previous entry in the chain, thereby creating a chain of blocks, or a **blockchain**.

BLOCKCHAIN TECHNOLOGY

Decentralized, open cryptographic technology that allows people to trust each other, making intermediaries obsolete





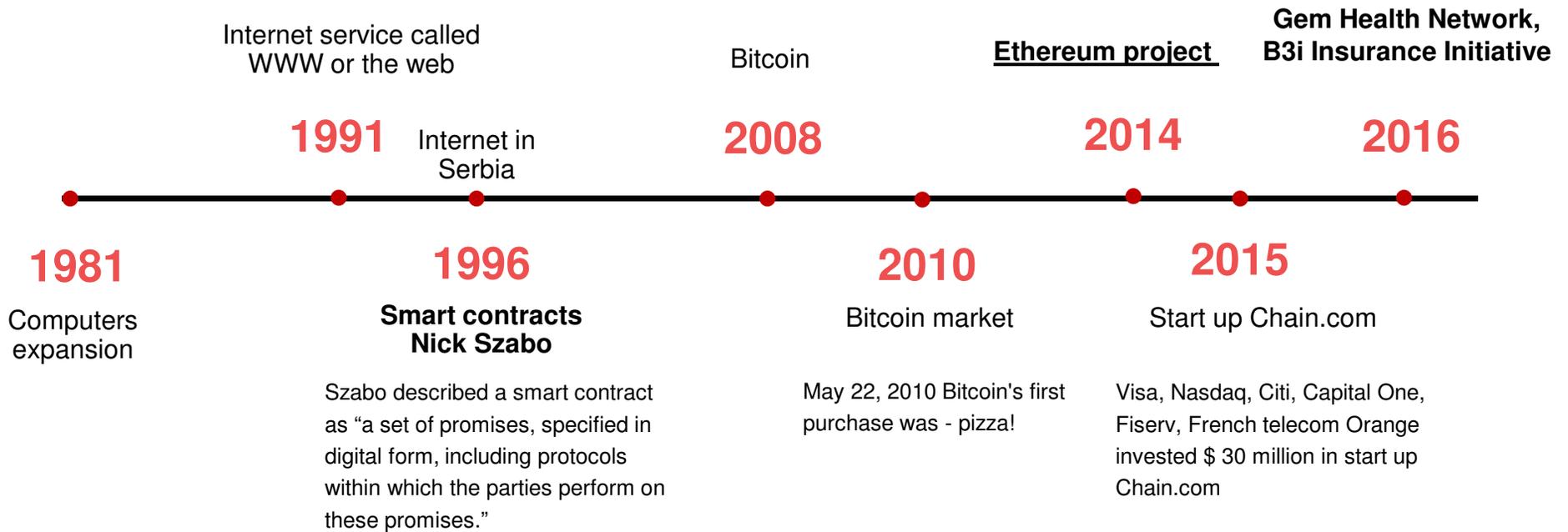
**BLOCKCHAIN TECHNOLOGY:
NOT JUST FOR
CRYPTOCURRENCY & BITCOIN**



SMART CONTRACTS

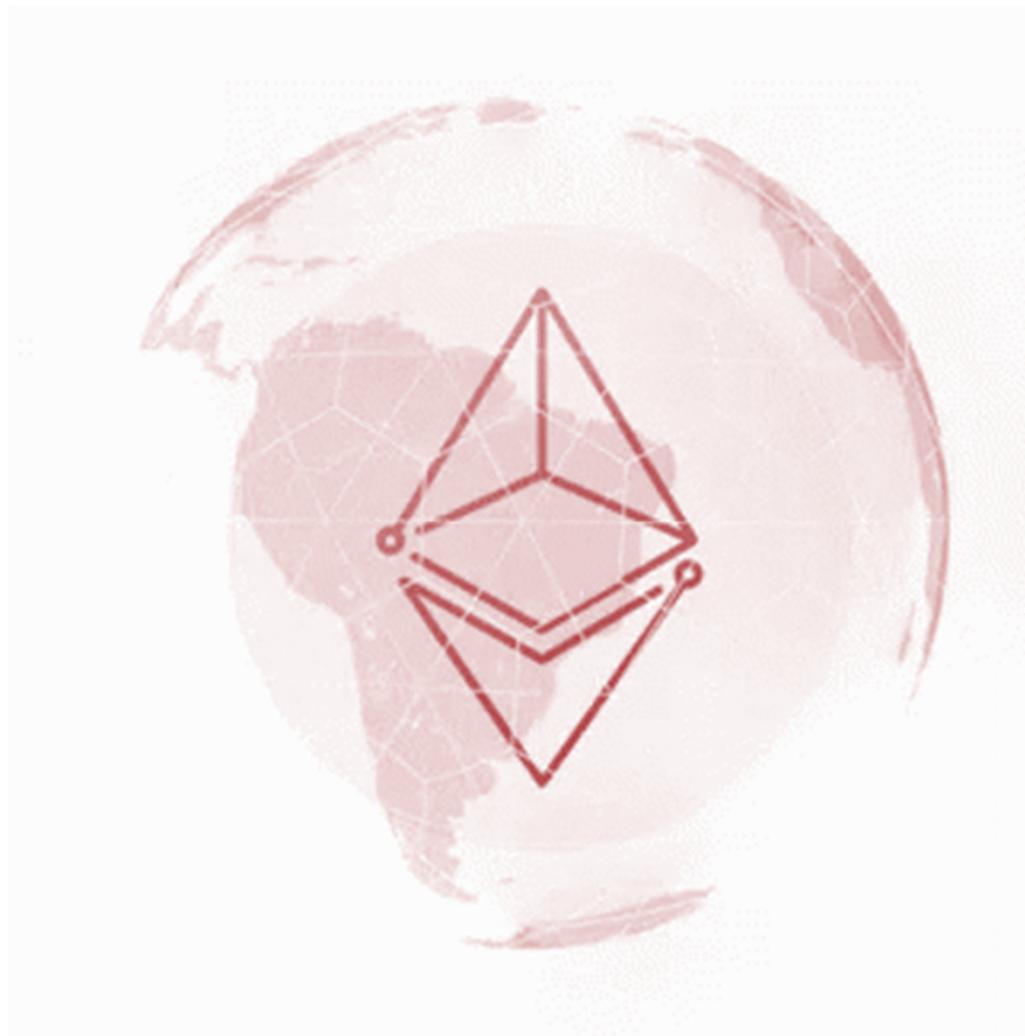
Computer algorithm

Blockchain platform that allows anyone to build and use decentralized applications (smart contracts) implemented by Blockchain technology



ETHEREUM BLOCKCHAIN APP PLATFORM

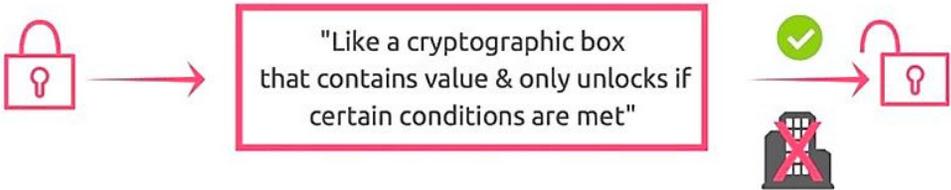
The most advanced smart contract enabled blockchain





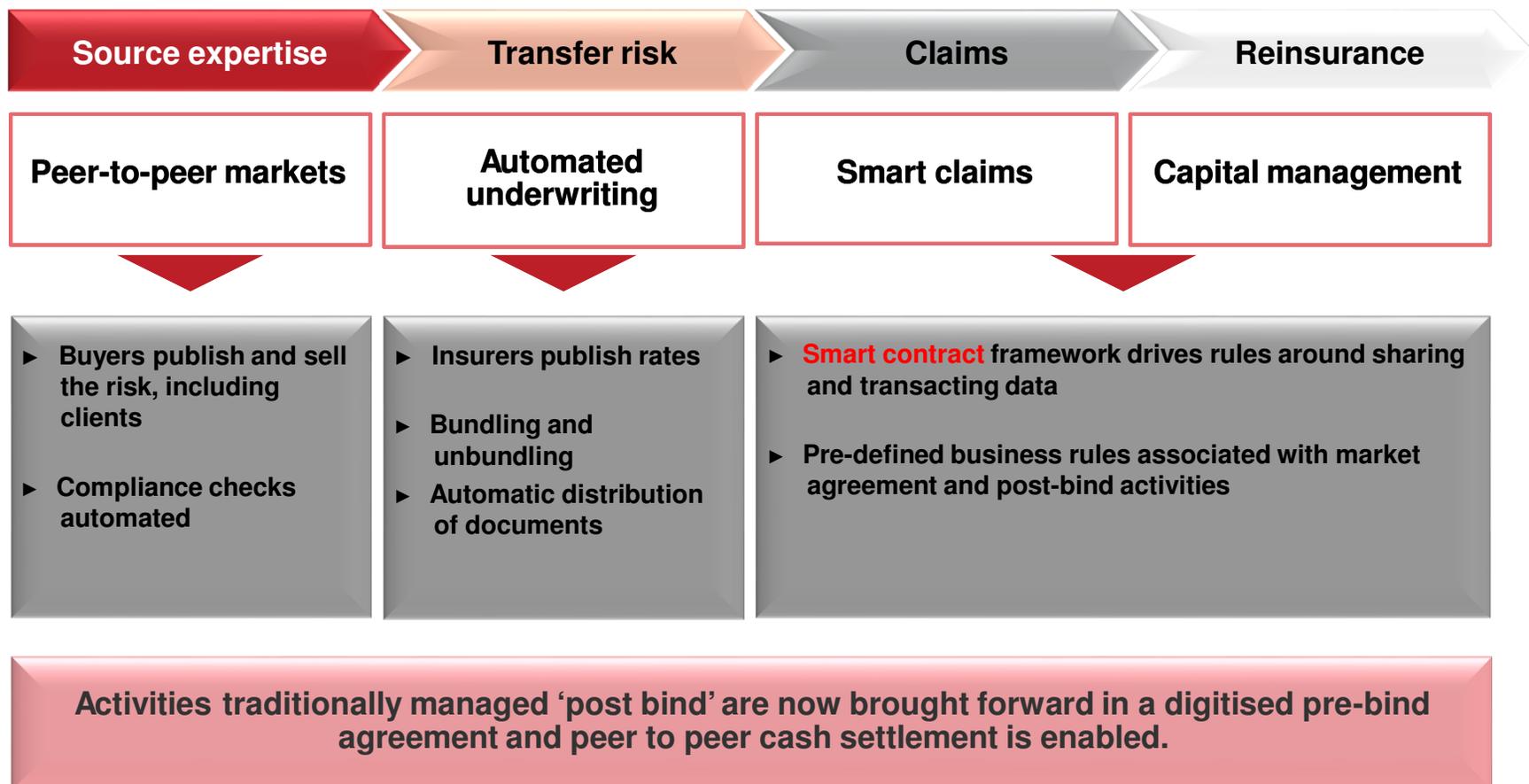
SMART CONTRACTS on the Blockchain

A smart contract is a computer code with a predefined set of rules. It runs on a blockchain and sets the conditions under which all parties to the smart contract agree to interact with each other. It auto executes if and when all conditions are met.



Smart contracts eliminate the need for trusted third parties

The platform and digital 'smart' contract framework digitize the rules between buyers and sellers



The Blockchain Insurance Industry Initiative (B3i)

B3i Members



Achmea	Gen Re	Munich Re	Navigators
Aegon	Generali	PartnerRe	TigerRisk Partners
Ageas	Guy Carpenter	QBE Re	Tokio Marine
AIA	Hannover Re	RGA	Trust Re
AIG	JLT Re	SAHAM Assurance	UnipolSai
Allianz	Leadway	SAVA Re	Willis Re
Aon	Liberty Mutual	SCOR	XL Catlin
Chubb	LocalTapiola	Sompo Japan Nipponkoa	Zurich
Covéa	MAPFRE RE	Swiss Re	
Everest Re	Marsh	Takaful Emarat	



**SMART
CONTRACTS
IN USE**

FLIGHT DELAY INSURANCE PRODUCT by AXA

13

fizzy

Smart insurance. Automatic compensation.

Your flight is 2h late? Get money without claiming.

Check your flight



Ticket number



Last name

Allow AXA to retrieve information about my flights. [Learn more](#)

START

Your benefits

Powered by 



NO EXCLUSION

We cover you, whatever the cause of your delay : Snow, strike, alien attack...



CLAIM FREE

No paperwork, no worries. We automatically trigger your compensation in case of 2h delay.



INSTANTLY

You receive your compensation at plane arrival.

FLIGHT DELAY INSURANCE PRODUCT by AXA

How it works

You can subscribe up to 15 days before departure

SIMULATION

I enter my ticket number



COVERAGE

I personalize my coverage

IDENTITY

I fill in my personal information.



PAYMENT

I subscribe.

DELAY

In case of delay (2h +), my payment is automatically triggered.



COMPENSATION

I receive compensation on my credit card account.

Covered flights



USA
Transatlantic flights



PARIS
Charles de Gaulle Airport



REST OF WORLD

2017

2018

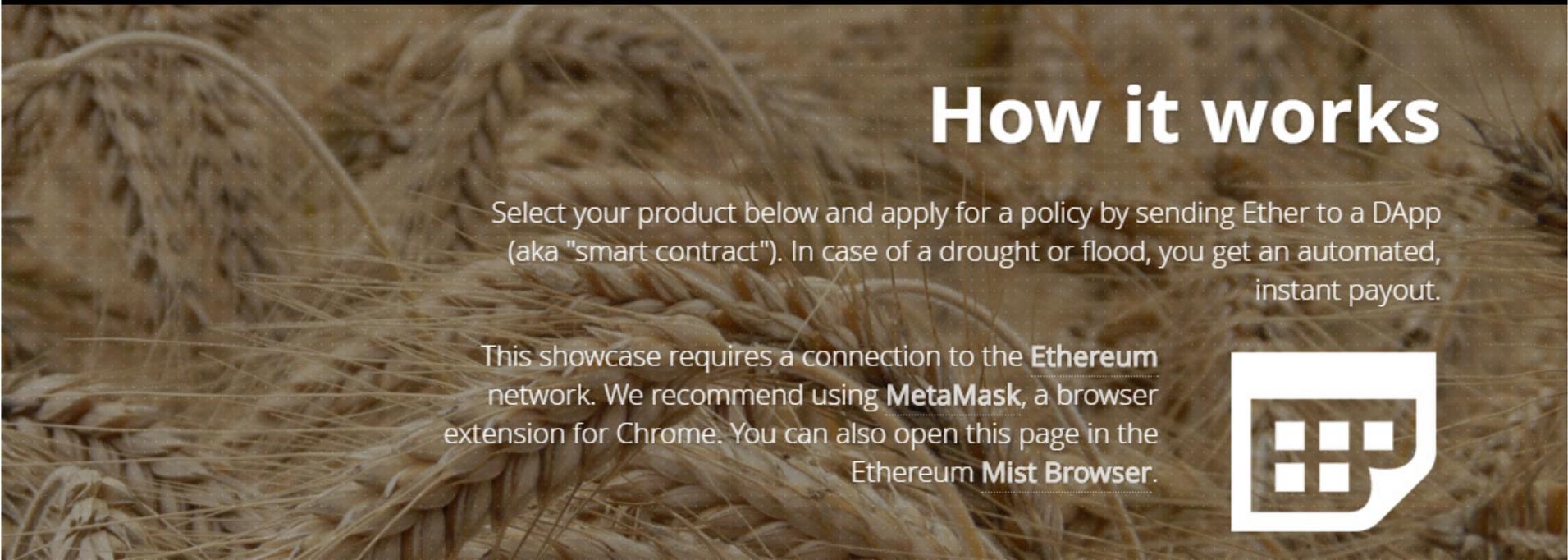
WEATHER-BASED CROP INSURANCE & HURRICANE INSURANCE

15



Jamii Crop Insurance

Great value, coverage and peace of mind for you!



How it works

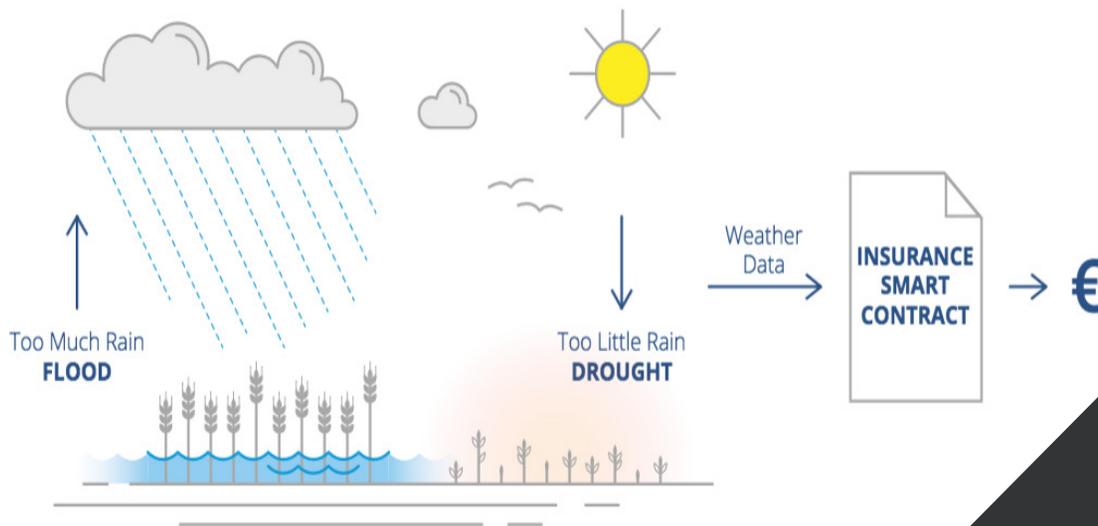
Select your product below and apply for a policy by sending Ether to a DApp (aka "smart contract"). In case of a drought or flood, you get an automated, instant payout.

This showcase requires a connection to the **Ethereum** network. We recommend using **MetaMask**, a browser extension for Chrome. You can also open this page in the **Ethereum Mist Browser**.



WEATHER-BASED CROP INSURANCE & HURRICANE INSURANCE

Parametric insurance



- **Compensation happens when pre-agreed upon parameters, or so-called parametric triggers, are fulfilled**
- **These triggers are directly linked to the parameters of a risk event**
For example, a policy can imply that a certain amount of rain, whether too much or too little, must fall for the policy buyer to be entitled to compensation.

POSITIVE EFFECTS

Using blockchain smart contracts in insurance can

- ✓ Reduce fraud through transparency
- ✓ Help protect policy documents
- ✓ Develop a system in which some claims can be verified and handled very quickly
- ✓ Reduce paperwork
- ✓ Allow the storage of policy documents on numerous ledgers, so it will be impossible to lose them;
- ✓ Improve the quality of data used during underwriting
- ✓ Remove administrative barriers
- ✓ Improve the claims process by developing a system for quick verification of the claims
- ✓ Generally improve the efficiency of the insurance industry
- ✓ Smart contracts have the potential to play an immensely helpful role in the insurance industry

NEGATIVE EFFECTS

They may be buggy, just like any other code. Debugging and testing them is quite involved due to the lack of tools. If Smart Contracts take off in popularity, expect new services and technology focused on doing all types of security checks before they are deployed



INSURANCE

SMART

BLOCKCHAIN



CONTRACTS

Q?

THANK YOU FOR YOUR ATTENTION!