

FinTech Insurance

| Hannah Durrant & Neil Beaton

| Tuesday 22nd September





Love what you do
Challenge everything
Have fun, be good

CFC Core Values



CFC is a specialist insurance provider
and a pioneer in emerging risk



Global reach

We serve more than 100,000 businesses in over 80 countries, and manage over \$500 million in premium



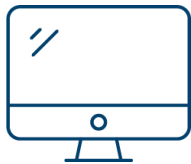
Cyber specialists

A pioneer in cyber insurance, we have the largest cyber underwriting team and the largest dedicated in-house cyber claims & incident response team in the world



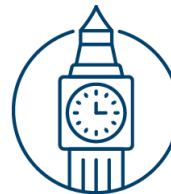
Innovative products

We offer a wide variety of specialist insurance products purpose-built for today's risks, with everything you need in one policy.



Tech-enabled

We build our own technology to deliver products to market faster and ensure that we respond to 90% of enquiries in 24 hours or less



One team

We are headquartered in London with over 400 employees operating from our four offices around the world.

The FI underwriting team



Neil Beaton
Practice Leader



Josephine Tam
Underwriter



Hannah Durrant
Underwriter



James Gill
Assistant Underwriter



Joshua Huckin
Underwriter
(joining November 2020)

Our FI products

Investment Management Insurance (IMI)

- Insurance for Investment and Asset Management Professionals
 - Hedge funds, Mutual Funds, Private Equity and Venture Capital, Investment Advisors, Property Fund Managers
 - Manager and Fund Coverage for both E&O and D&O, with options to include Crime, Cyber and K&R
- Target risk size
 - AUM/AUA up to \$10bn, (sweet spot 50m to 1bn). Revenues up to \$100m

SME Banks

- Small banks product for regional banks and credit unions
 - Challenger Banks, Small Banks, Building Societies and Credit Unions
 - Ability to include BBB policy
- Target risk size
 - Depository assets up to \$20bn. Revenues up to \$100m

Financial Institutions PI (FIPI)

- Miscellaneous, Non-Bank Financial Institutions
 - Non-Bank Lenders, M&A Advisory and Corporate Finance, Leasing Companies
 - E&O and D&O coverage with the option to include Crime, Cyber and K&R
- Target risk size
 - Revenues up to \$100m

What is FinTech?

- Technology and innovation that aims to compete with traditional methods in the delivery of financial services.
- Technology is used to improve financial services whether that be via improved distribution to more people or specific niche products for a certain demographic
- As of 2019 58% of Australian adults have adopted some form of digital financial service (4x the amount in 2015).
- There has been a five-fold increase in Australian FinTech Companies in the last five years
- 44% of these companies are targeting retail consumers in the B2C market, with the rest focusing on B2B services.



Market opportunity

- Why the need for FinTech insurance?
- Market opportunity
- How it fits within the current FI portfolio and what we have been doing so far
- Main contacts for the product



Our product

Our product

Coverage

- Broad Professional Liability Clause
 - Coverage for Financial Services as well as liability arising from Technology Services
 - Sub-Contractor Liability
 - Intellectual Property
 - Loss of Documents
 - Dishonesty of Employees
- Coverage for Regulatory Investigation Costs

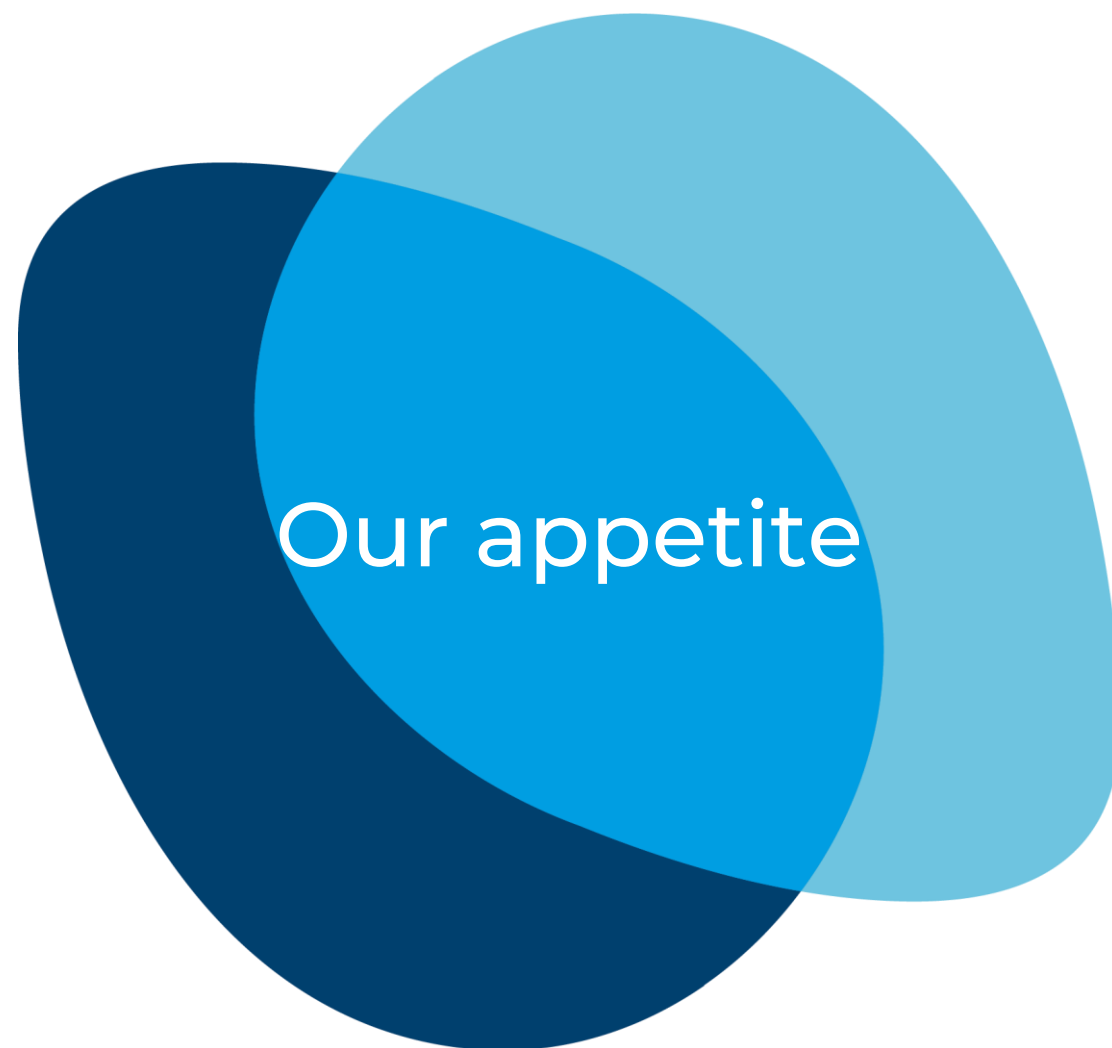
Our product

Modular product

- Packaged Insurance Product means start-ups and small business can have their insurance needs met
- Options to add:
 - Management Liability
 - Cyber
 - First Party Crime
 - EPL
 - Fiduciary
 - P&C Cover

Complete package offering including, **Professional Liability cover** including sub-contractors liability, IP Infringement and Employee Dishonesty. **Management Liability** including additional limit for Non-execs, **Crime, Cyber, EPL, Fiduciary/PTL and Property Casualty** cover





Our appetite

Our appetite

Entities providing financial service products through the use of technology

What we love

- Digital and mobile banking services
- Money transfer / payment services
- Investment Platforms
- Digital Lending

What we consider

- Consumer/retail focused risks
- Crowdfunding
- P2P Lending

What we ordinarily decline

- Crypto exposed risks
- Short term consumer lending
- Retail trading platforms
- Insurtech
- Financial Planning

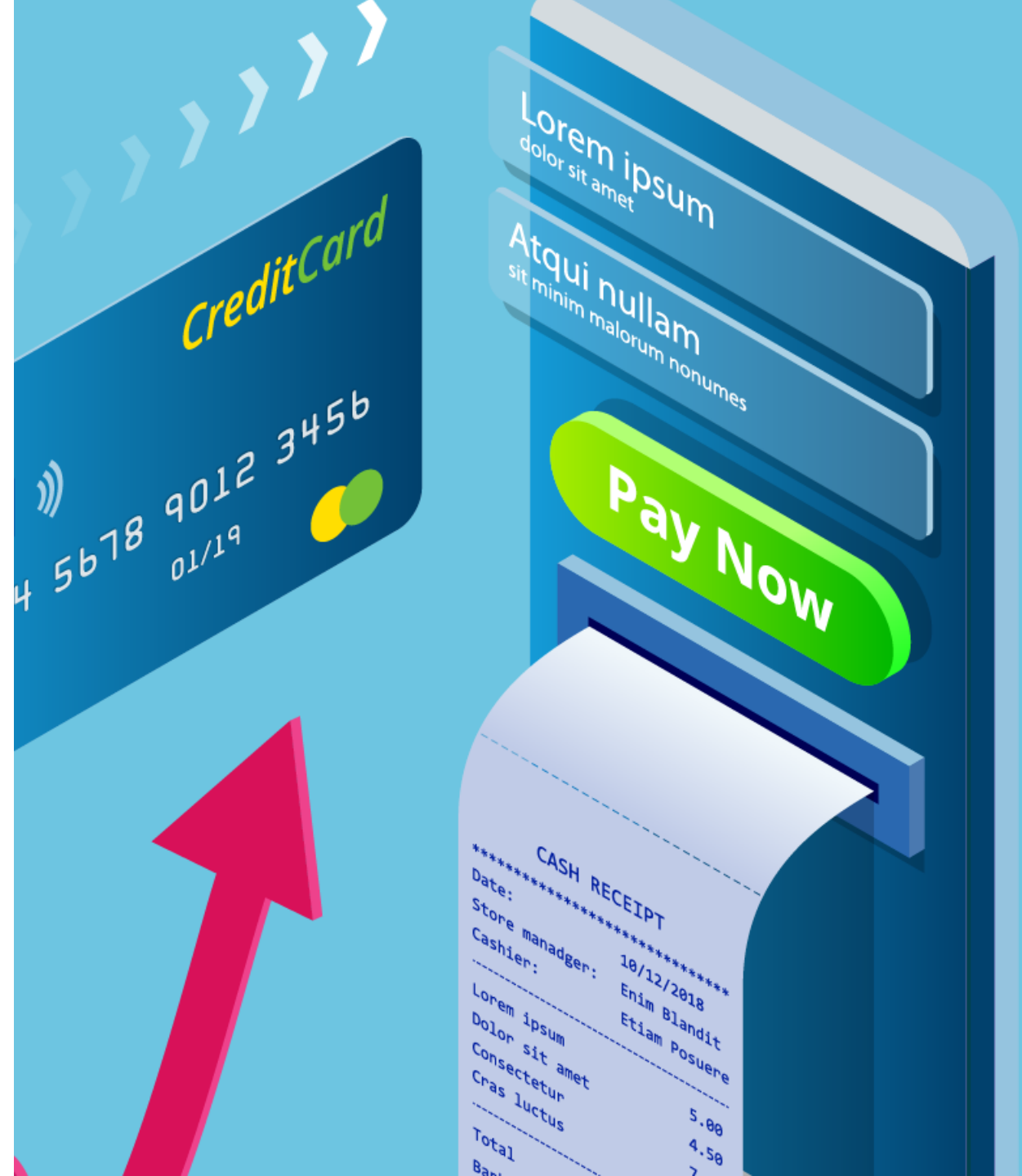
Our appetite

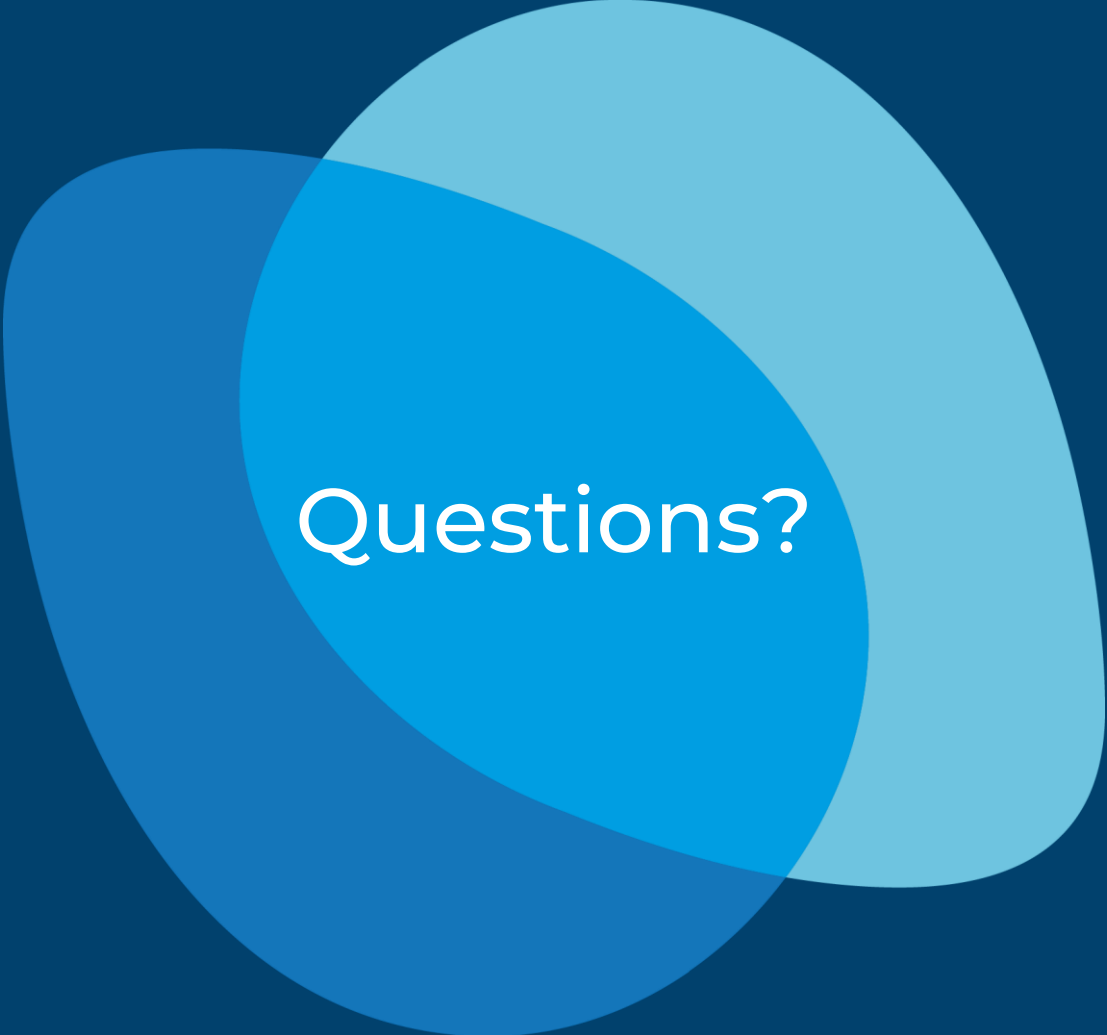
Underwriting Appetite

- Targeting mid-market risks in line with our current FI Strategy
- Not unicorn hunting but as the book grows we can grow with the larger risks
- Territorial Scope
- Maximum line size AUD 10M
- Expected average line size AUD 2-3M

Why CFC for FinTech?

- Proven track record in Innovation
- We challenge assumptions in the market
- Resources best in class
- Cyber Response
- Dedicated Claims Resource





Questions?

Thank you for your time

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