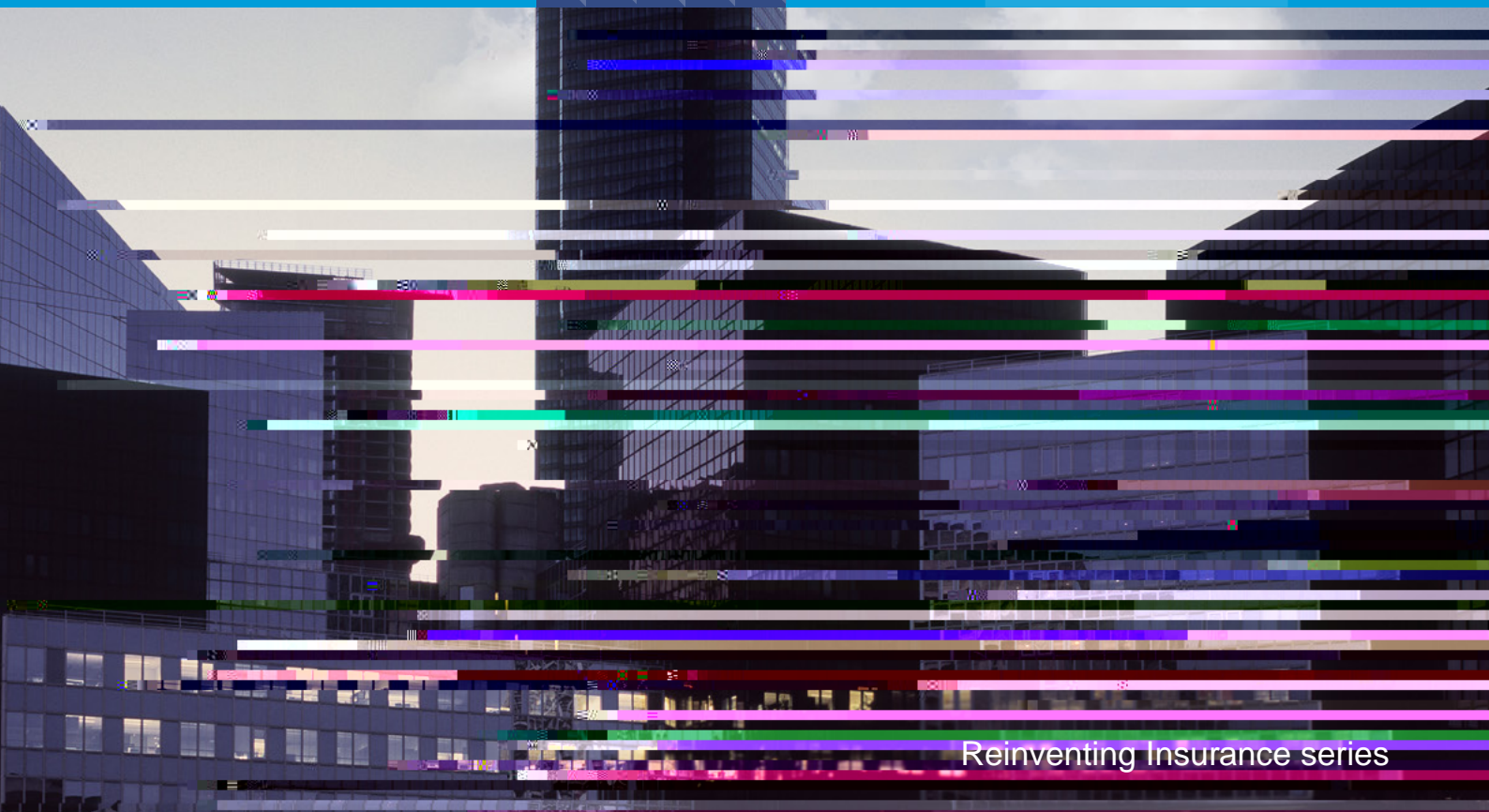




# will web3 reinvent insurance?

Why it's time to pay attention



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WEB3 introduction

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What is the Web3 economy?

7

It's time to pay attention

11

TM | Ž C → ® ¥ © | ® · 2 | § | μ question

16

The Web3 opportunity for insurers

34

Conclusion

:KLOH WKHUH LV VRPH K\SH VXUURXQGLQJ GLJLWDO DVVHWV GHF  
and Web3, there is also substance that has the potential to fundamentally  
WUDQVIRUP SDUWV RI RXU PRGHUQ `QDQFLDO V\VVHP

We believe it 'V WLPH IRU LQVXUHUV WR SD\ DWWHQWLRQ PLOOLRQ S  
UHSRUWHG LQYHVWLQJ WUDGLQJ RU XVLQJ FU\SWRFXUUHQFLHV L  
PLOOLRQ LQ { 9HQWXUH FDSLWDOLVWV DUH LQFUHDVLQJ WK  
LQIUDVWUXFWXUH DQG :HE FRPSDQLHV 7KH 86 LV GHYHORSLQJ D



the underlying technology that allows data

WKDW LV DJUHHG WR DQG UHFRUGHG DQG GLJLWD

assets to be transferred without a central



While there remain many scenarios for how the Web3 economy will evolve, in the last year there has been a step change in terms of FXVWRPHU GHPDQG YHQWXUH FDSLWDO 9& DQG LQVWLWXWLRQD DQG JRYHUQPHQW IRFXV ,QVXUHUV DUH DOVR LQFUHDVLRQJ WKHLU with Web3, including exploring the development of innovative products and VHUYLFHV

Customer demand:

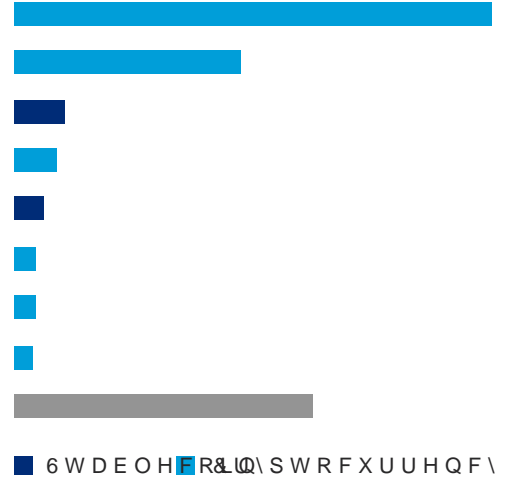






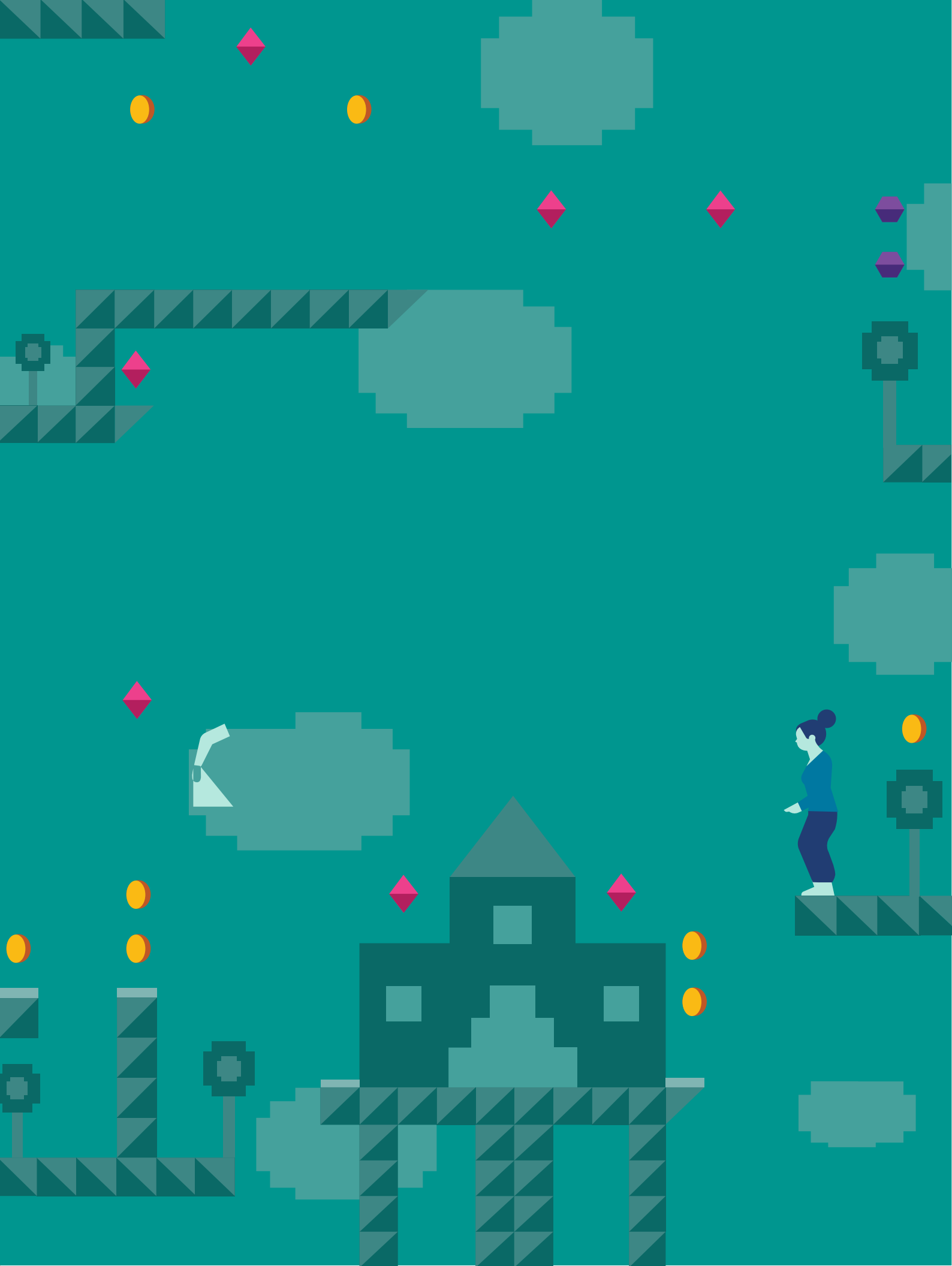


# Rapid increase in Web assets



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# Is Web3 here to stay?

While there is some hype, Web3 technology is here to stay.

Critics of Web3 assert that it is more hype than reality, and that the wave of euphoria and attention Web3 has received will slowly recede if and when cryptocurrencies fall out of favor with investors.

Cryptocurrencies do play a critical role in the Web3 ecosystem as a store of value and a medium of exchange, and many of the most popular Web3 use cases have focused on cryptocurrency trading. However, the potential use cases of Web3 are

SRWHQWLDOO\ P X F K E U R D G H U D Q G F R X O G H Q F R P S D V V R W K H U  
Ultimately, the technology of Web3 does not rely on the value of any one use case  
R U F U \ S W R F X U U H Q F \ M X V W D V W K H ^ U V W L W H U D W L R Q R I W K H  
success of any single website.



# How big is Web3 anyway?

Web3 is currently relatively small, but has the potential to grow quickly if Web3 expands beyond early adopters.

The Web3 economy has a large and quickly expanding user base when taking into consideration the number of people engaging, using, trading, or investing in cryptocurrencies. There are

Web3 is going to be an increasingly large opportunity for insurers, and  
we see two main dimensions painting the Web3 opportunity O D Q G V F D S H

[Insuring the Web3 economy.](#)





9LUWXDO  
for 1)7V



YDXCHFHQWUDOLJHG  
contract insurance

&URVV GLPHQVLRQ

opportunities



7KHIW LQVXUDQFH IRU  
crypto exchanges

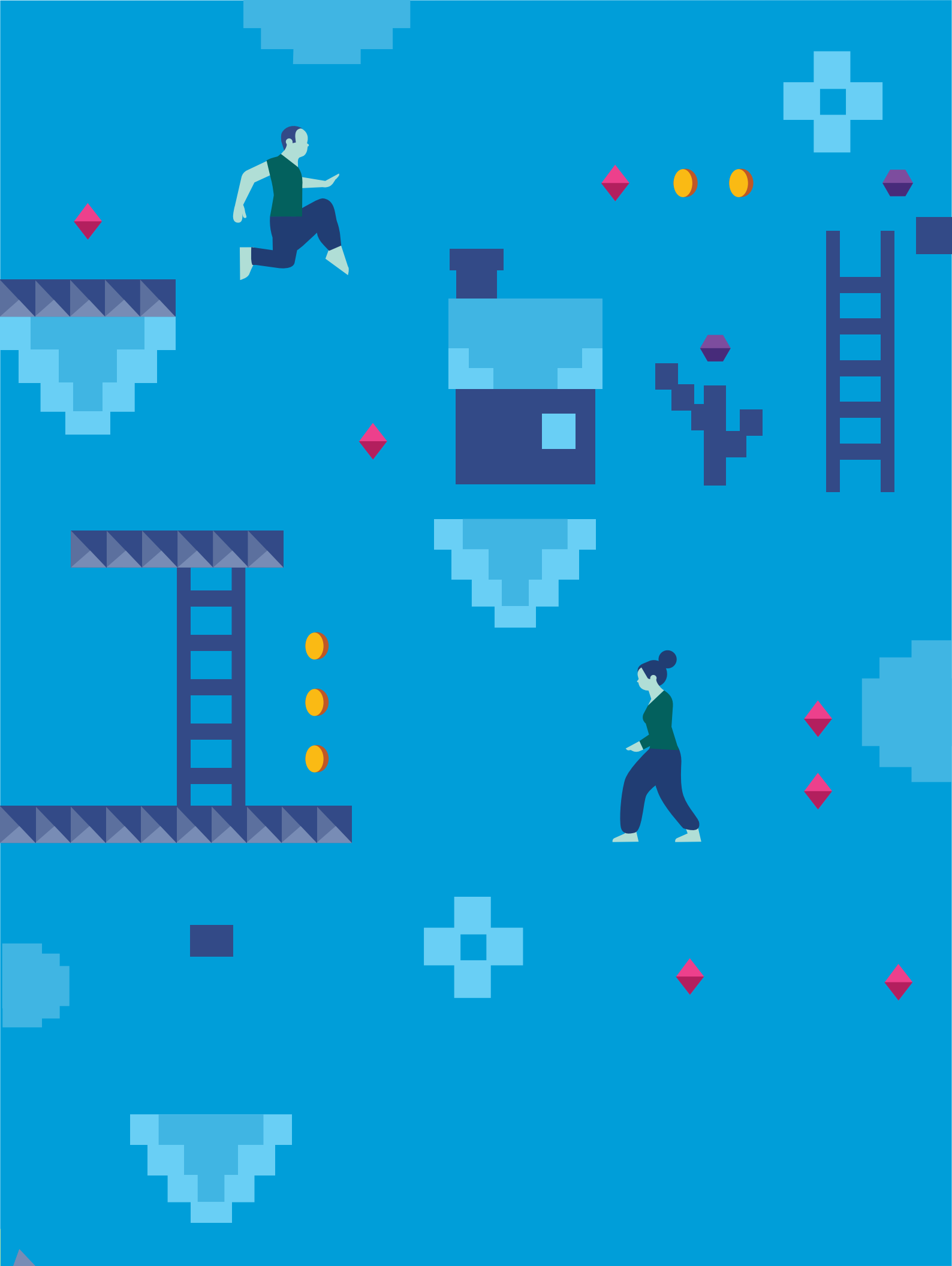


7UDYHO LQVXUDQFH  
smart contracts



HFXQLWUUDOLJHG  
insurance platform





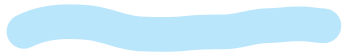
The Web3 economy is currently under-insured and has huge potential for future growth

6LJQL`FDQW XQPHW GHPDQG IRU LQVXUDQFH IURP UHW  
LQVWLWXWLRQDO LQYHVWRUV DQG businesses

ET L\

:H H[SHFW WKHUH ZLOO EH WZR PDLQ FXVWRPHU JURXSV LQYHVWRU  
EXVLQHVVHV LQWHUHVWHG LQ REWDLQLQJ SURWHFWLp

ELdÂVG...pYp0| L



6FRSH RI LQVXUDEOH :HE ULVNV DUH H[SHFWHG  
WR LQFUHDVH RYHUtime

7KHUH DUH D EURDG UDQJH RI <sup>-</sup>QDQFLDO DQG QRQ <sup>-</sup>QDQFLDO ULVN  
DVVHW KROGHUV DUH H[SRVHG WR

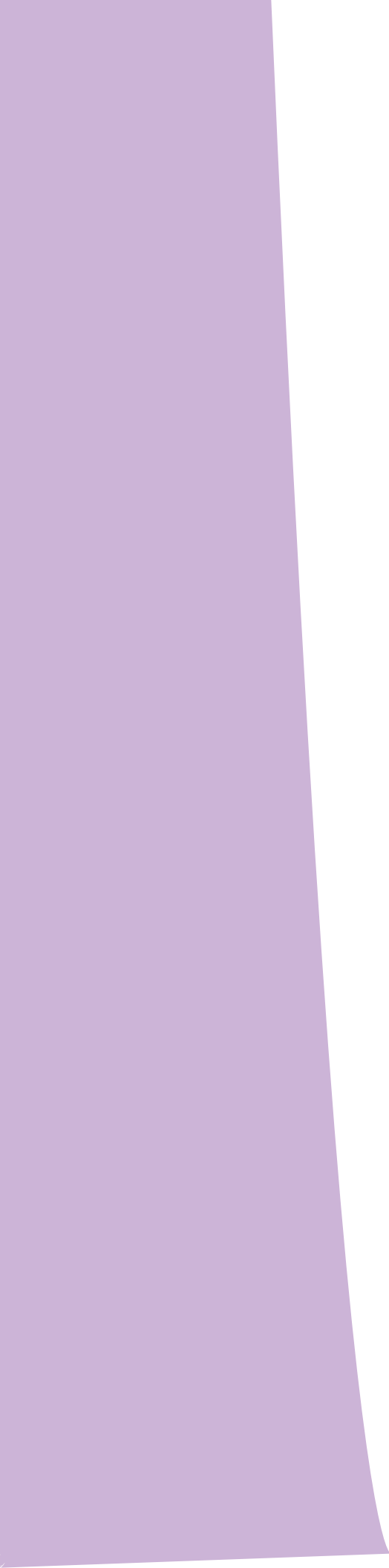














## Opportunities in the UKRUW WHUP , QVXUHUV FDQ GHYHORS QHZ FXVWRPHU IRFXVHG YDOX propositions using Web3 capabilities

We expect that near-term opportunities to develop Web3-based customer value propositions will focus on policies that are easy to

WUDQVODWH LQWR VPDUW FRQWUDFWV SDUWLFXODUO\ SDUDPHW  
FODLPV WKDW FDQ EH HYDOXDWHG XVLQJ GDWD IURP RUDFOHV )R  
PD\ LQFOXGH ORZ GHQRPLQDWLRQ SROLFLHV H J FURS LQVXUDQ  
HPHUUJLQJ PDUNHWV

\$V LQVXUHUV FRQVLGHU GHYHORSLQJ QHZ :HE EDVHG YDOXH SUR  
LW ZLOO EH LPSRUWDQW WR IRFXV RQ WKH VSHFLF FXVWRPHU SU  
EHLQJ DGGUHVHVG DQG ZK\ :HE FDSDELOLWLHV DUH QHFHVVDU\

also need to consider their distribution strategy, including the tactical details for how these policies can be purchased and how claims will be

SDLG )RU H[DPSOH ZH H[SHFW WKDW R@HULQJ HPEHGGHG LQVXU  
SRZHUIXO H J OLQNLQJ VHHG SXUFKDVHV ZLWK LQVXUDQFH LQ V  
case study illustrated E HORZ

### Case study: Lemonade Crypto Climate

[/HPRQDGHFHQWO](#)

Opportunities in the ORQJHU WHUP

7KH SRWHQWLDO WR UHLPDJLQH @bZs:HE EDVHG EXVLQ

:HE R@HUV WKH SRWHQWLDO WR UHLPDJLQH ZKDW LQVXUDQFH FR  
ORRN OLNH 7RGD\ WKHUH LV D UDSLGO\ HYROYLQJ HFRV\VWHP R  
UDQJLQJ IURP QDVFHQW SODWIRUPV WR HPHUJLQJ SOD\HUV

%HORZ ZH IHDWXUH WZR FDVH VWXGLHV WKDW LOOXVWUDWH H[D  
insurance business PRGHOV

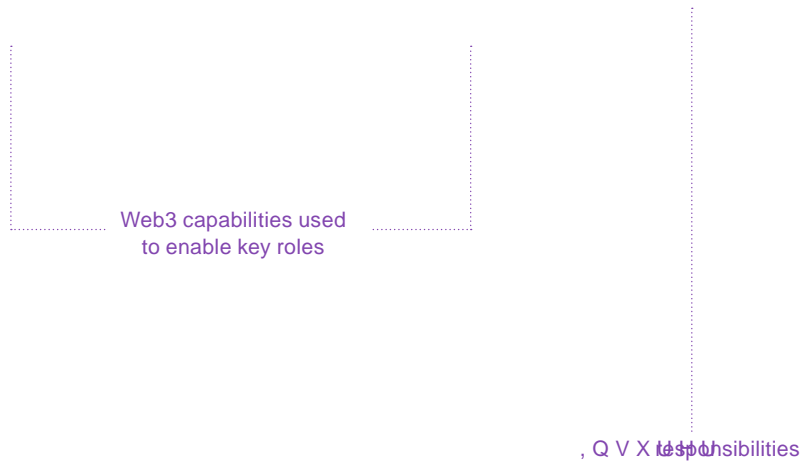
Etherisc LOOXVWUDWHV ZKDW LI DQ LQVXUHU DGRSWV WKH SODWIR  
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HFRV\VWHP RI WKLUG SDUWLHV H J WKLUG SDUW\ GDWD SURYLQ  
4 <004.1 <0022 <81 <61 <0048>60F00030 <00517.4<000.4 <00023.3 <005244>-13.70560057>-40

● Case study: Etherisc





[Nexus Mutual](#) LV D EORFNFKDLQ EDVHG PXWXDO WKDW R®HUV GHFHQ







# Conclusion: 4 KEY TAKEAWAYS

%DVHG RQ ZKDW ZH KDYH REVHUYHG WR GDWH DQG ZKDW ZH EHO

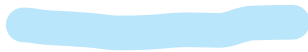


In short: it is time to pay attention.  
The weeks, months and years ahead  
are bound to present unprecedented  
opportunities for insurers.



# MEET OUR AUTHORS

Paul Ricard







2 O L Y H U : \ P D Q is a global leader in management consulting that combines deep industry knowledge with specialized expertise in strategy, operations, risk management, and organization W U D Q V I R U P D W L R Q