



UNDERSTORY

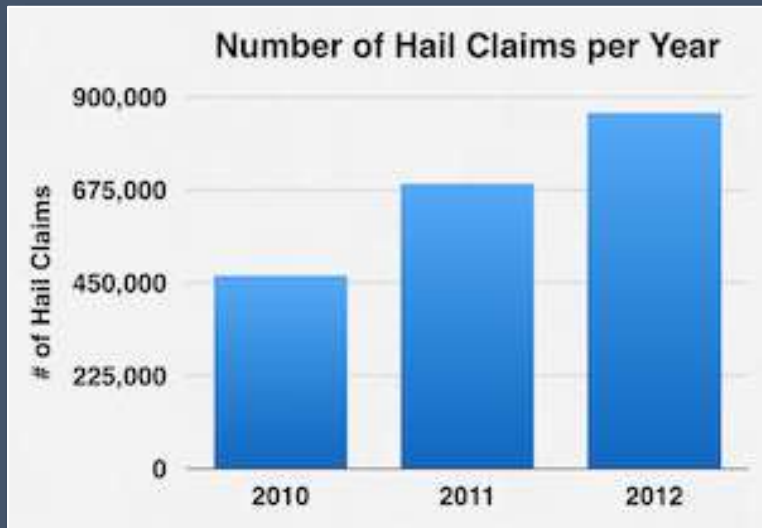
Alex Kubicek, CEO | alex@understoryweather.com

The background of the image is a close-up, slightly blurred view of asphalt pavement. The surface is covered in numerous cracks of varying widths and directions, creating a complex, web-like pattern. The color of the asphalt is a dark, mottled grey.

Biggest problem facing P&C insurance today

DAMAGE ≠ CLAIMS

INDUSTRY DESCREPENCY BREEDS HIGH COST



\$7000 = average hail claim cost
Up 75% since 2000



Hail and wind constitute
40% of average annual loss



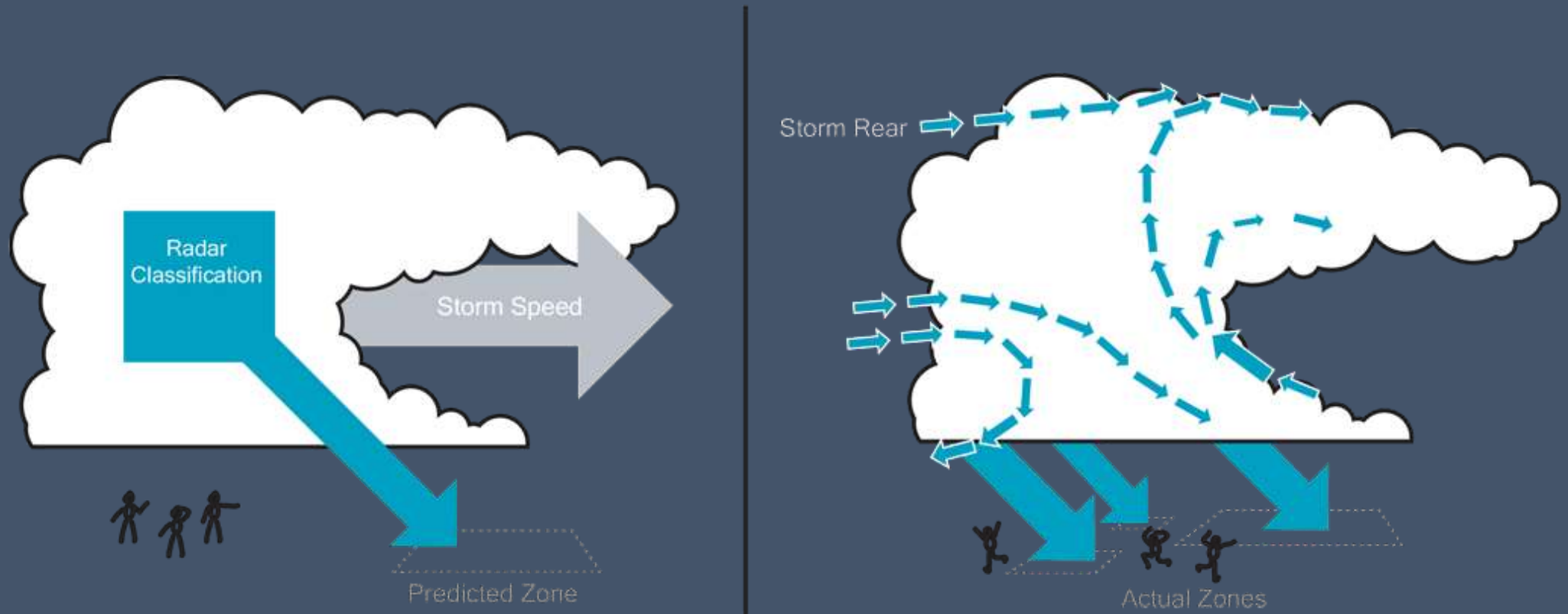
Carriers are taking less risks
in severe storm areas



DAMAGE ISN'T KNOWN BECAUSE OF A

**ENORMOUS DATA
BLIND SPOT**

RADAR MISSES THE DAMAGE



Radar is often incorrect – at its best, it can provide hail size which cannot show damage.

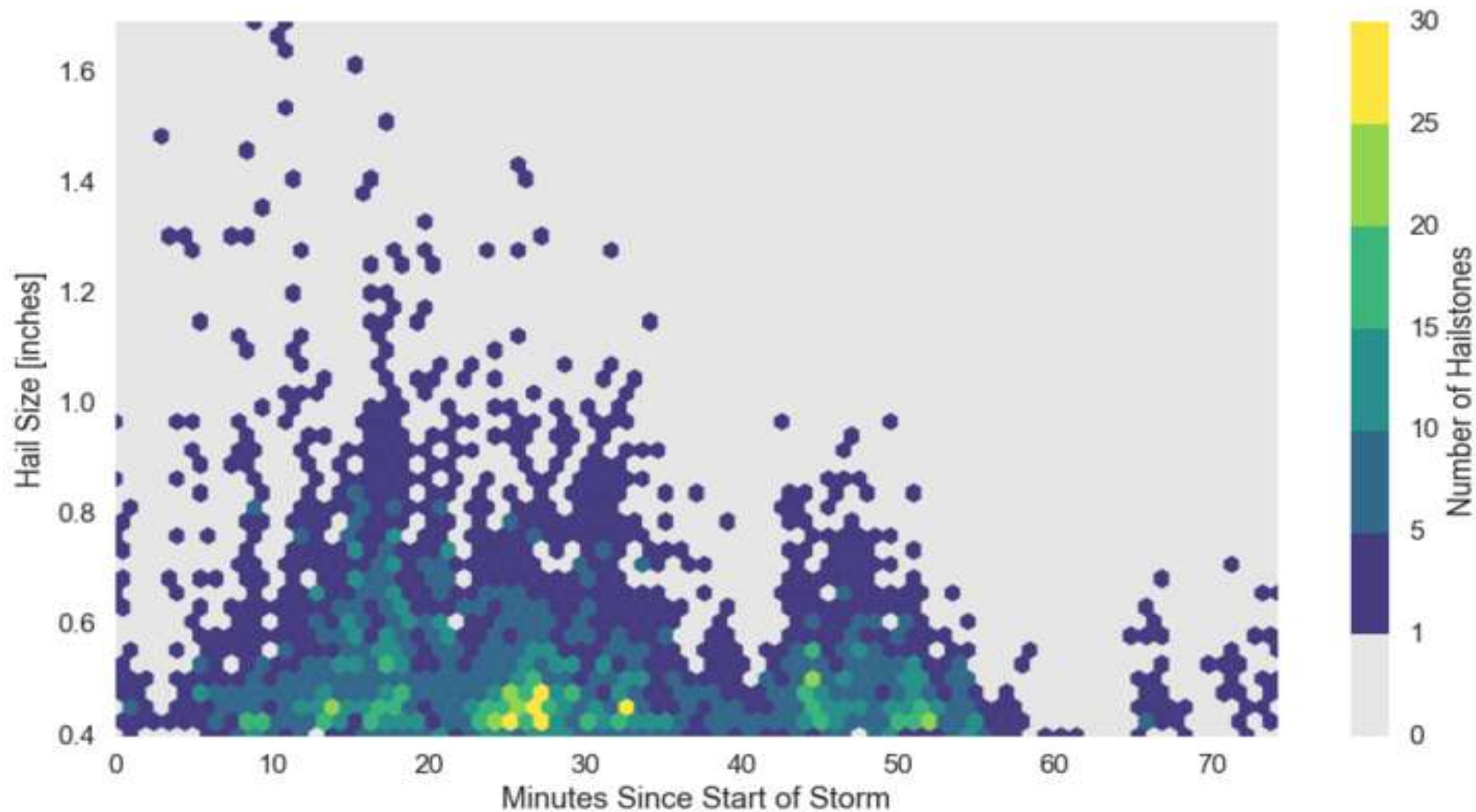
A photograph of a weather station mounted on a rooftop. The station features two vertical poles with various sensors, including anemometers and pyranometers. In the background, a city skyline is visible under a sunset sky, with a prominent domed building (likely a state capitol) on the right. The foreground shows a gravel-covered roof.

UNDERSTORY'S WEATHER STATION, THE RTI

AI DRIVEN PROPRIETARY DATA

- Hail size, impact force, and angle of impact
- Wind speed and direction
- Rainfall
- Temperature
- Dew point temperature
- Humidity
- Barometric pressure
- Wind chill and heat index
- Solar index
- Evapotranspiration
- Growing Degree Units





WITH UNPRECEDENTED WEATHER INSIGHTS

WE DIRECTLY ESTIMATE PROPERTY DAMAGE



DAMAGE PROFILES ESTIMATE

ROOF, SIDING, AND WINDOW DAMAGE

APRIL 1ST 2017

All Clear at This Location

While some metro locations had hail, this property was not affected.

MARCH 28TH 2017

Wind 41^{MPH}

Wind speeds were high enough to cause vegetation and property damage.

MARCH 26TH 2017

1.5-2" Hail

Hail

Potentially damaging hail fell in the area.



No other DOL suggestions as of 3/1/2016

MARCH 6TH 2017

Wind 27^{MPH}, Gust 42^{MPH}

While some metro locations had wind this property was not affected.



UNDERSTORY SERVICE STARTED - 2/16/17

APRIL 11TH 2016

All Clear at This Location

While some metro locations had hail, this property was not affected.



MARCH 23RD 2016

All Clear at This Location

While some metro locations had hail, this property was not affected.



Households Affected: 267k
Population Affected: 662k

Damaging hail up to 2.50"+ was detected at the location. Siding damage is likely.

Wind speeds were high enough to cause vegetation and property damage. Apart from falling trees and branches, is low.



ORDER REPORTS

PRECISION HAIL REPORT

PRECISION WIND REPORT

AT THIS LOCATION

Max Hail: 1.55"
Max Wind: 20mph
Max Gust: 28mph

CONSTRUCTION TYPE	WEATHER EXPERIENCE	DAMAGE LIKELIHOOD
Roof	5-10 strikes on new roof 53-75 strikes on old roof	Likely
Siding	Hail fell vertically	Unlikely
Windows	Hail fell vertically	Unlikely

\$86 SAVED PER POLICYHOLDER PER YEAR

- 4 carriers – top 5, 10, 50, and a regional carrier
- 110,000 policyholders
- 12,500 claims
- 2016 and 2017 storm seasons

CLAIMS OPERATIONS STRATEGY

Attacking the Tail

Reducing payout on very late claims by equipping adjusters with better knowledge

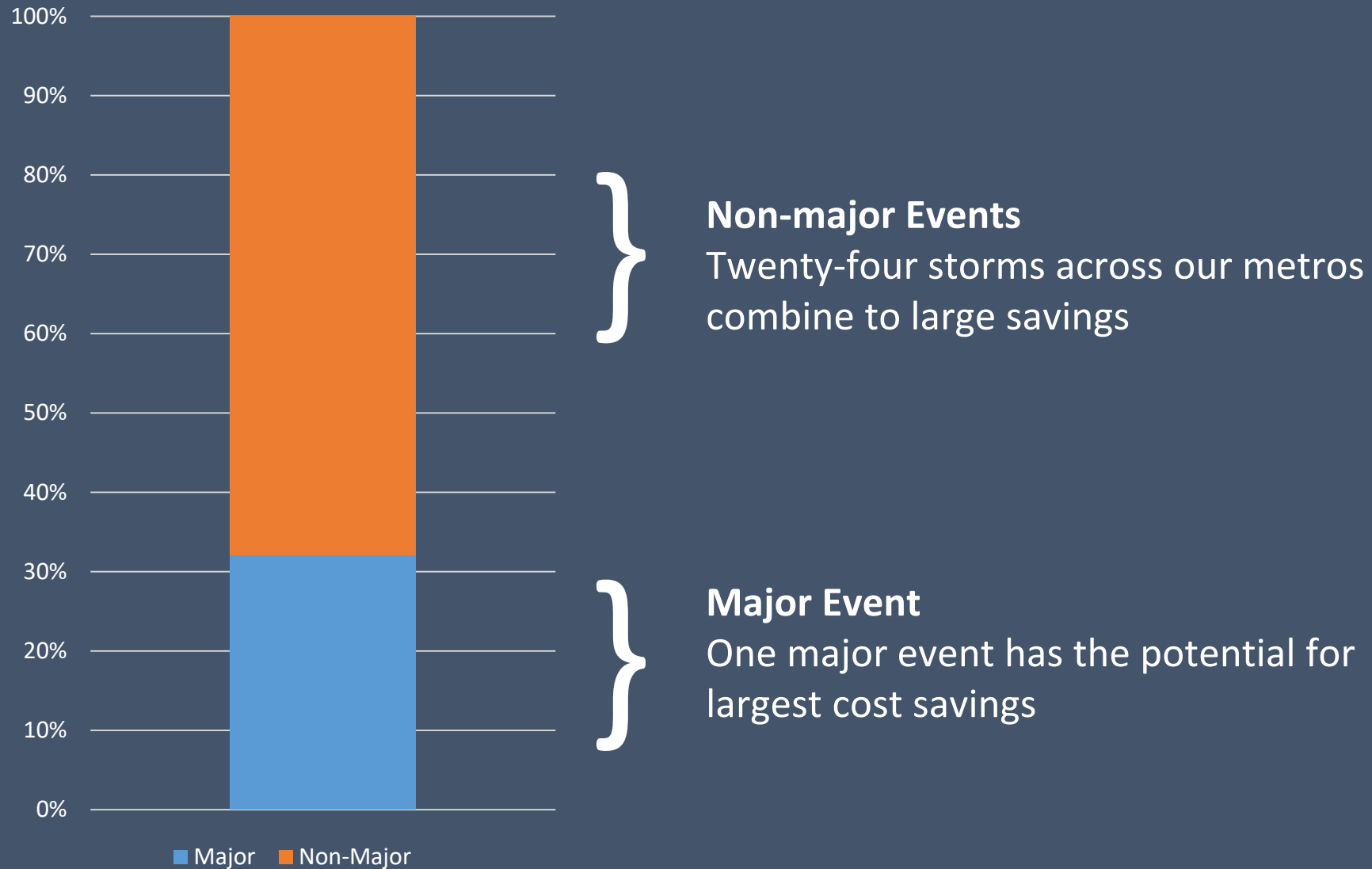
Rejecting Highly Unlikely Claims

Paying only the right claims at the right time

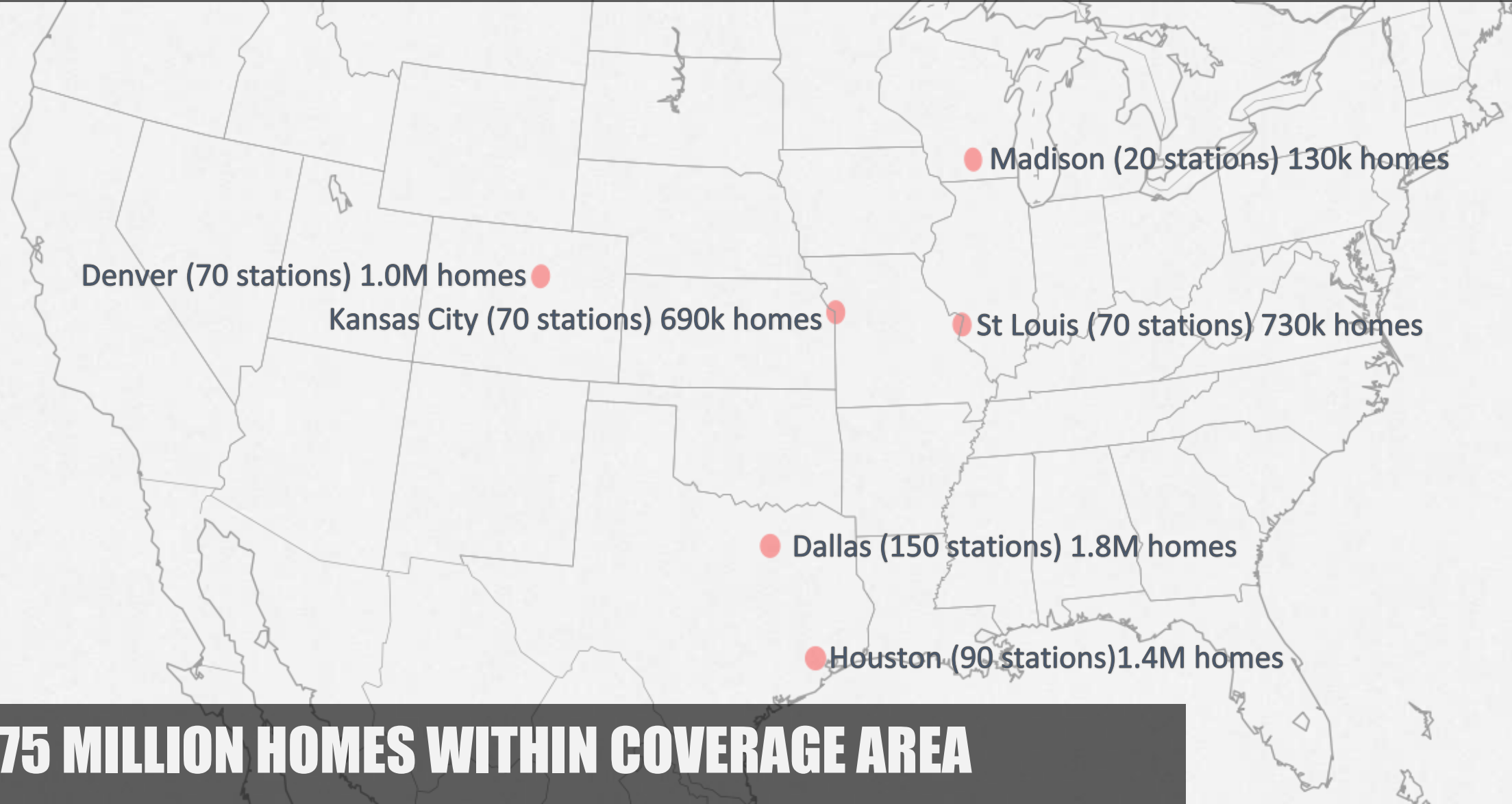
Optimizing Adjuster Assignments

Determine adjusters skillsets and assign questionable claims accordingly

15% LOSS CONTROL SAVINGS

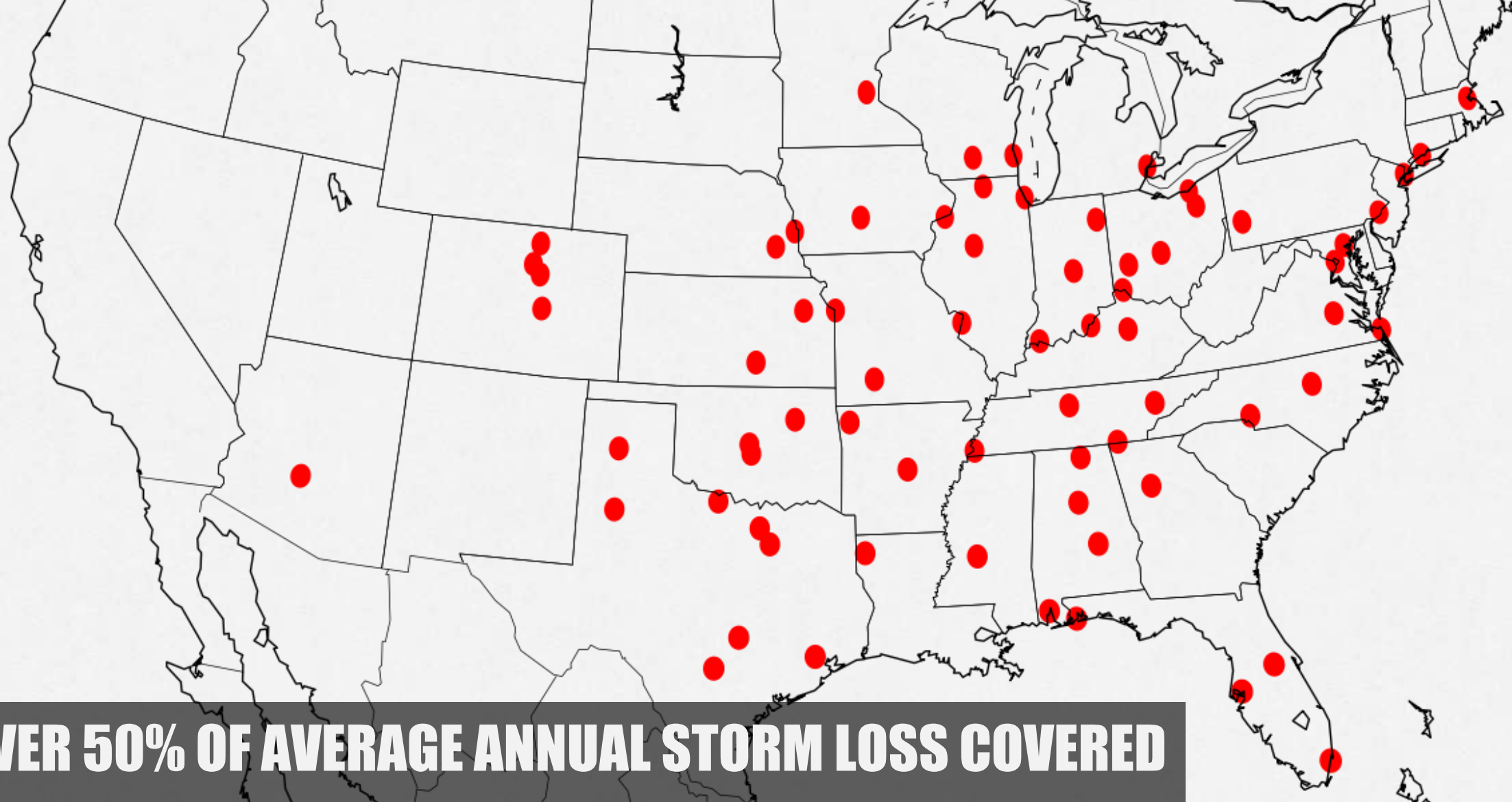


UNDERSTORY 2017 COVERAGE



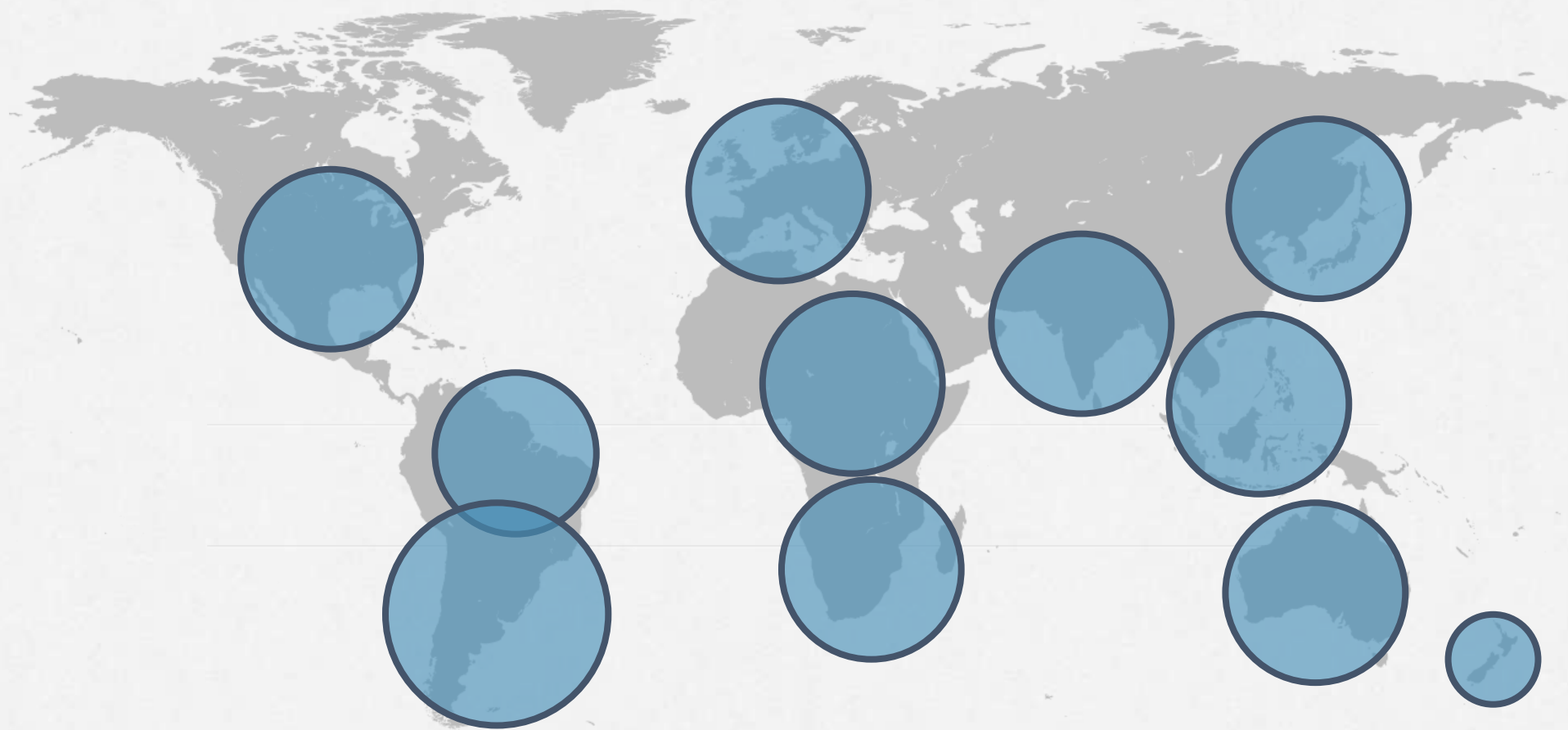
5.75 MILLION HOMES WITHIN COVERAGE AREA

UNDERSTORY 2020 COVERAGE

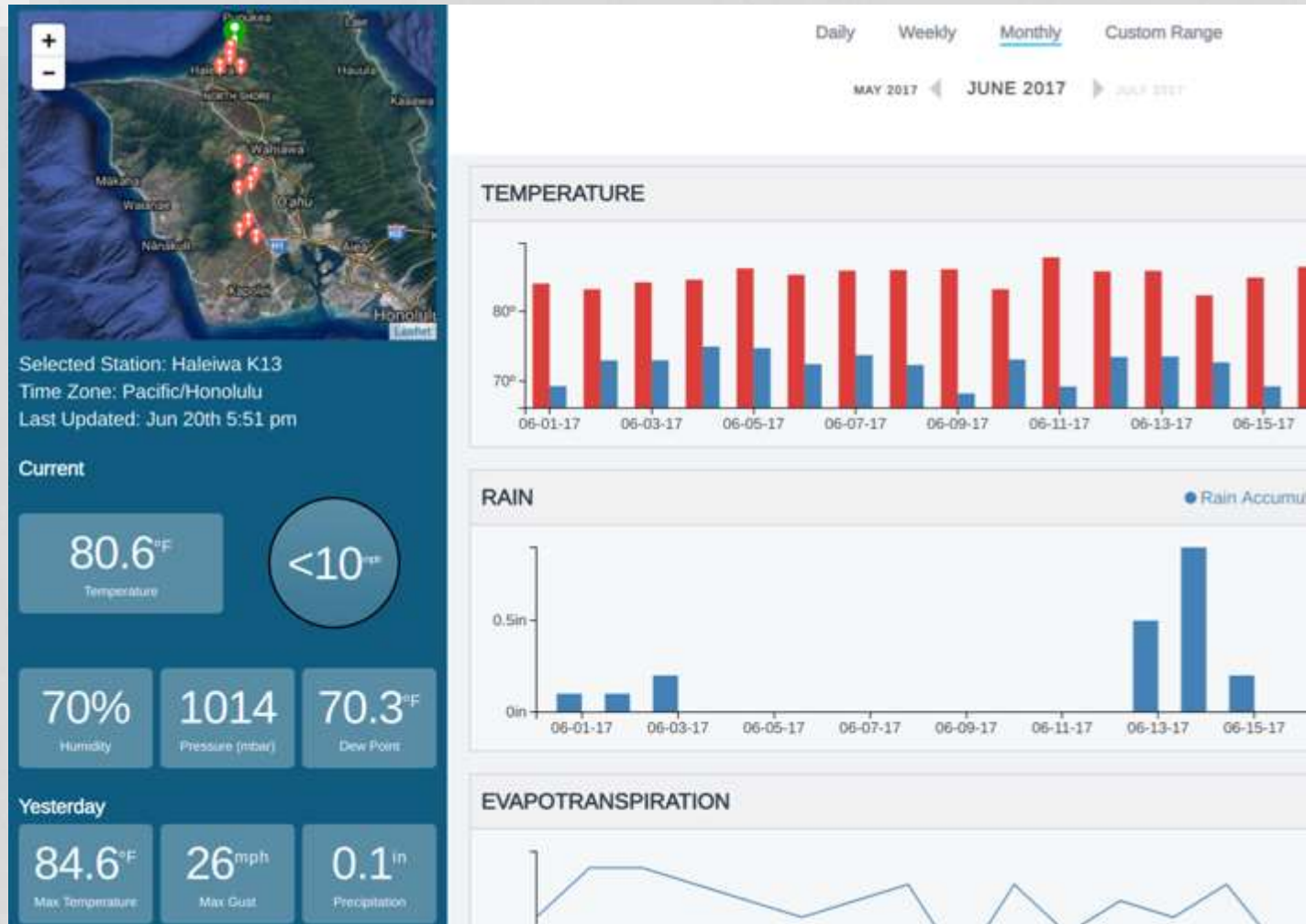


OVER 50% OF AVERAGE ANNUAL STORM LOSS COVERED

UNDERSTORY SCALING WORLDWIDE



COMPLETE AGRICULTURAL UNDERSTANDING



- Weather networks as a service with a 99.999% uptime anywhere on the planet
- Precise, accurate, and actionable information for irrigation, planting, and harvesting

UNLOCK NEW POSSIBILITIES WITH UNDERSTORY

Create accurate parametric insurance models

by using storm metrics or unique agriculture datasets

Leverage data that hasn't existed before

by applying your current models to new regions

Quantify risk in a granular way

by creating innovative insurance products guided by unprecedented data

Provide clients with significant loss control

by integrating Understory's products to help them save 13 to 16% on hail claims