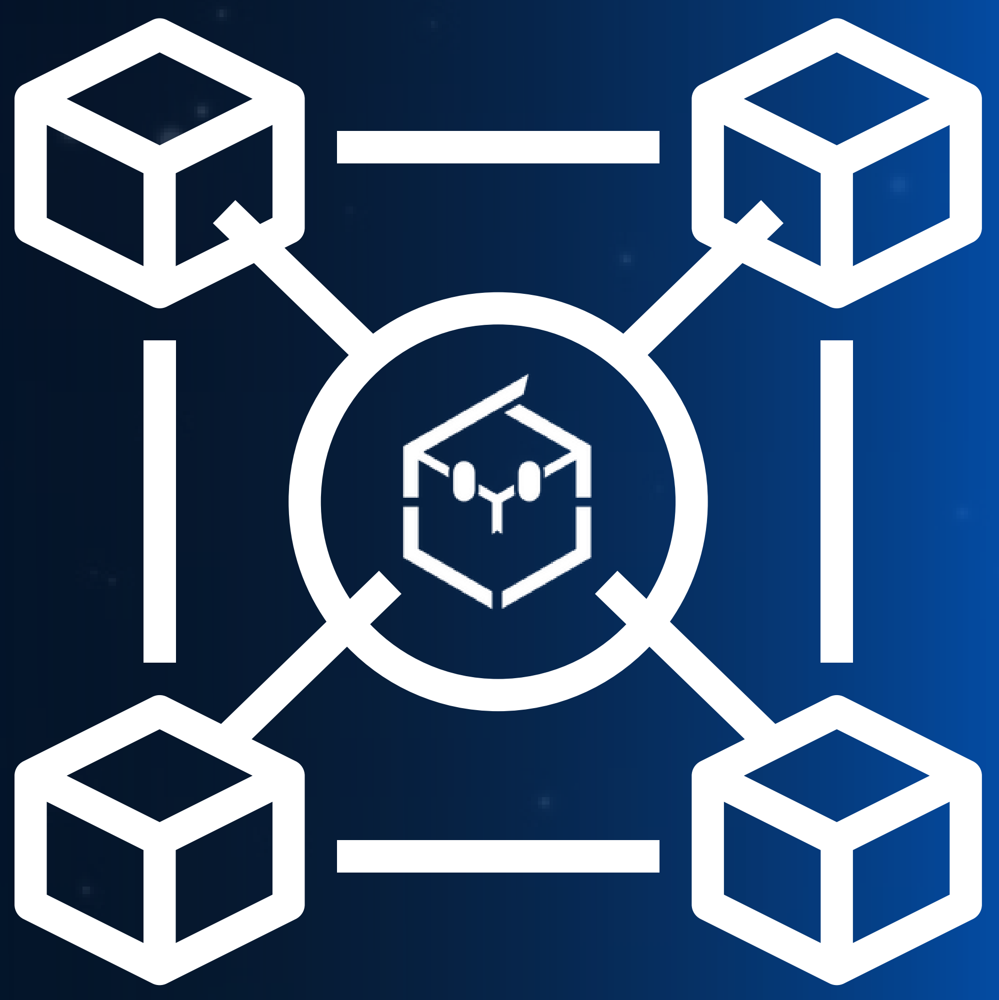
COVEST FINANCE

REINVENTING INSURANCE ECOSYSTEM



Changing the insurance industry, one smart contract at a time

- Pile of paper
- Back office process
- A lot of human resources

- Centralized & silo database
- Internal and external auditors
- Bank to custodian the fund
- Financial intermediately for investment

- Reinsurer companies
- Reinsurance operation

Insurance Contract
with Smart Contract

Blockchain Ledger &
DeFi risk free investment

Decentralized risk market
and alternative capital

Replacing insurance contract with Smart Contract

- IssuePolicy
- RedeemPolicy
- ClaimRequest
- ClaimPayout

- Risk Exposure (Max & Sub Coverage)
- Risk Transfer Ratio (Reinsurance)
- Premium (Fee)
- Risk Payout (Claims Value)
- Capital Solvency Factor (SCR)

COVEST.FINANCE

Where we fit in the value chain

COVEST FINANCE TECHNOLOGY INFRASTRUCTURE

Risk Owner
Portfolio

Risk Incident Stat
Loss Ratio
Correlation
Track Record

Onboard Client »
« Profit Sharing

Covest MGA Platform

- Coverage Issuance
- Performance control
- Risk exposure evaluation
- Automated claim tools
- Claim adjustment
- Pricing adjustment

IssuePolicy >
RedeemPolicy >
ClaimRequest >
ClaimPayout >

Covest Premium Pool
Smart Contract

Tradable, traceable, and trusted insurance contracts

Service Revenue »
« Subsidize Risk

Capital Pool
Smart Contract

Risk Assessment

Manual
Automated Underwriting

Claim Assessment

Claim Assessor
Parametric Claim with oracle

Insurance Smart Contract (ISC)

- Capital solvency
- Risk exposure

Risk Sharing Network

- Insurance Carrier
- Reinsurer
- Covest Finance Treasury
- Crowdfunding Capital

COVEST.FINANCE

Covest Finance Ecosystem

Selected Portfolios

(Partnership)

Non-life Insurance

- Logistic Platform
- Entertainment Platform
- Travel Platform
- Insurance Company

(What we are looking for)

Q1 / 2023

Life Insurance

Insurance Company

- Single-premium life
- Term life insurance
- Whole life insurance

Q4 / 2023

In-house Product

(Covest Team)

COVEST. PARATEX

Parametric Coverage

- **Flight Delay**
- **Holiday Disruption**
- **Ticket Flex**
- Crypto Wallet Protect+
- Crypto Default Swaps
- Crop & Energy Protect

Q1 / 2023

COVEST. MUTUAL

Mutual & P2P Insurance

- Personal Accident
- Critical Illness
- Hospital Benefit
- Income Protection
- Unemployment Aid

Q3 / 2023

COVEST. GUARANTY

Financial Coverage

- Financial Guaranty
- Trade Credit
- Collateral and Volatility Protection

Q4 / 2023

COVEST.FINANCE

Insurance Policy Type

2 types of insurance policies

• Simple Policy

Value Locked in the smart contract equal net premium amount

As the insured value is recognized, the premium value will depreciate over the period of the coverage term.

** Users can cancel coverage and receive the redeem value based on the policy's short-rate / pro rata rate / cash value.

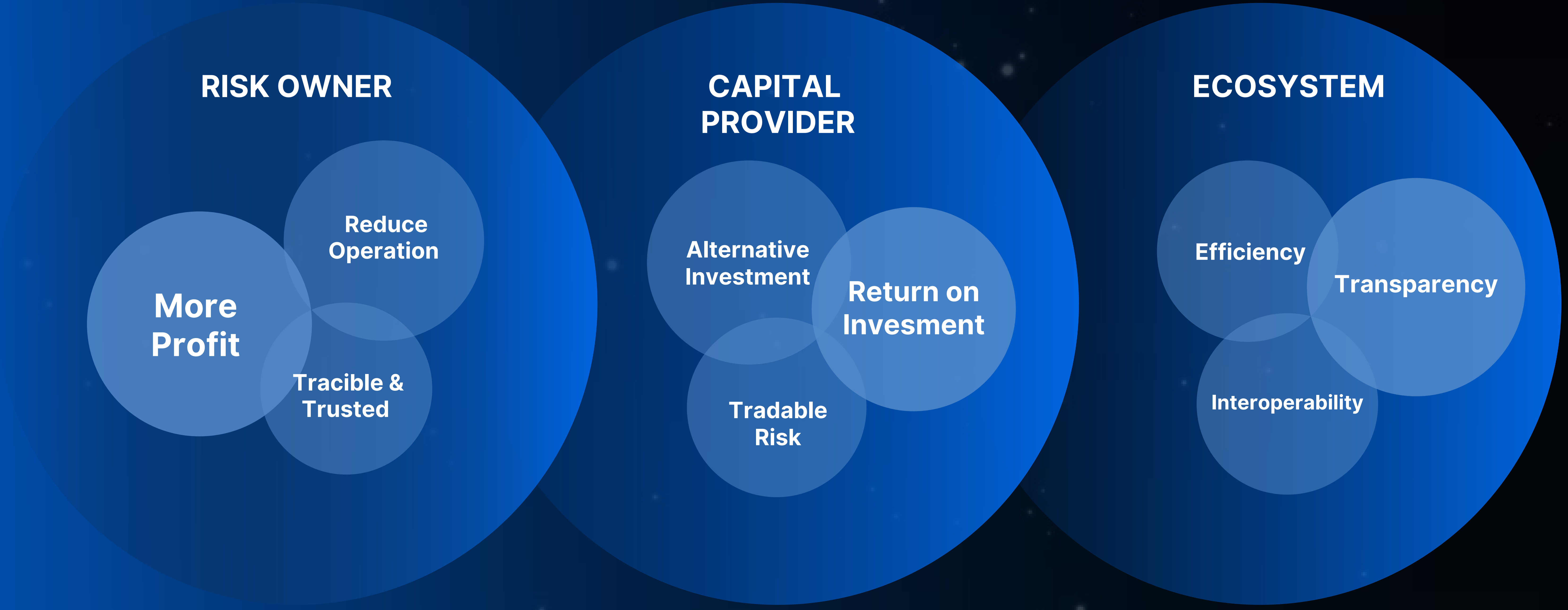
Tradable insurance policy (Non-fungible token - NFT)

If there are matching risk coefficients, the insurance tradable function will be effective; otherwise, the coverage value will be adjusted.

• NFT Policy

COVEST.FINANCE

RESHAPING INSURANCE SYSTEM



Selected Portfolios: Ticket Cancellation

Any risk owner that operate ticketing business e.g. event ticket, flight ticket or activity ticket

Claim - Platform Control

BIRD
(On process)

THAITICKET MAJOR agoda Booking.com นครชัยแอร์ NAKHONCHAIAIR
(Example)

" All data and value is tracible and trusted across the value chain"

Risk Owner ⇄ Premium Pool ⇄ Capital Pool

Risk Owner

- Risk Model
- Risk Selection Process
- Claim Process

Premium Pool

- Record capital balances
- Record risk exposure
- Record claim payout

Capital Pool

- Lockup solvency capital
- Invest surplus capital to risk-free DeFi protocol

COVEST.FINANCE

Selected Portfolios: Flight Delay or Cargo Delay

Any risk owner that own time delay risk e.g. airline, cargo or shipment

Claim - Web API to Oracle

FlightAware OAG Chainlink

" All data and value is tracible and trusted across the value chain"

Risk Owner ⇄ Premium Pool ⇄ Capital Pool

Risk Owner

- Risk Model
- Risk Selection Process
- Claim Process

Premium Pool

- Record capital balances
- Record risk exposure
- Record claim payout

Capital Pool

- Lockup solvency capital
- Invest surplus capital to risk-free DeFi protocol

Selected Portfolios: Weather risk

Any risk owner that effected by weather risk e.g. outdoor activity, agricultural business

Claim - Web API to Oracle

OpenWeather Chainlink

" All data and value is tracible and trusted across the value chain"

Risk Owner ⇄ Premium Pool ⇄ Capital Pool

Risk Owner

- Risk Model
- Risk Selection Process
- Claim Process

Premium Pool

- Record capital balances
- Record risk exposure
- Record claim payout

Capital Pool

- Lockup solvency capital
- Invest surplus capital to risk-free DeFi protocol

Strategic Partner - Insurance

Core Insurance, Actuarial, Blockchain Dev, Insurance Broker, Insurer, Reinsurance, Claim Service

PCIT

18 years of expertise implementing core insurance systems including underwriting, claim management, finance, accounting, and reinsurance (in/out) systems. (Thailand)

TVinsure™

32 years of expertise in the insurance industry as a brokerage firm, including personal and business lines, as well as partnerships with at least 30 insurance companies in Thailand.

?
(On process)

Third-party claim services provider (Healthcare in Thailand)

?
(On process)

Top tier actuarial service provider (Thailand)

Strategic Partner - Blockchain

Core Insurance, Actuarial, Blockchain Dev, Insurance Broker, Insurer, Reinsurance, Claim Service

REI Chain	REI Chain is a foundation for the creation of a “synthetic world” that connects a decentralized world into everyday lives with ease.
CHIANGMAI Crypto City	CCCx is a corporate social enterprise comprising individuals from various fields of expertise interested in blockchain technology. Drawn together with the purpose of building a better future, CCCx is working with the Program Management Unit on Area Based Development (PMU A) to advance its goals.
MULTIVERSE EXPERT	Consultation and development of blockchain solutions for Private, Public, and Hybrid Blockchains.
? (On process)	On-chain reinsurance and on-chain risk marketplace

Milestones

Partner to get use case

- Logistic Portfolio
- Entertainment Portfolio
- Travel Portfolio
- Insurer Portfolio

Q4 / 2022

Q1 / 2023

Build in-house use case

COVEST. PARATEX X Chainlink

- **Flight Delay**
- **Holiday Disruption**
- **Ticket Flex**

Get regulated in

- Digital Asset Business
- Insurance Innovation Sandbox License

(Aiming OIC Thailand & BMA)

Q2 / 2023

Q3 - Q4 / 2023

Scale up more products

COVEST. MUTUAL "Mutual Aid Insurance"

COVEST. GUARANTY "Financial Guaranty"

COVEST.FINANCE

What we are looking for?

Seed round funding $1M to $3M

Institution who want to shape the future of insurance

Reinsurance service on blockchain

Blockchain oracle that can easily feed external data for insurance

AI System to pre-screen claim and execute automate underwriting

Decentralized insurance risk scoring for personalized insurance

COVEST.FINANCE

To shape the future of tomorrow’s insurance through innovative protocols & products.

SUKRIT BOONYAKRAI

Team Leader

Financial & Insurance researcher, Developer (Core Insurance, API, WebApp)

NAWAPAN ARAMPIBULKIT

Tech Lead

Dev Team Lead
Mobile, Web, Platform with 18 Years of experience

NAWAPAT BUAKOET

Blockchain Developer

Specialized in smart contract development

Contact Us

Website: www.covest.finance
Documentation: docs.covest.finance
Email: sukrit.b@covest.finance
Tel: +6688-142-4419

COVEST.FINANCE

Reinventing Insurance Ecosystem

Q & A

WHAT IS THE KEY CHALLENGES?

Regulatory Framework

- Be as infrastructure
- Having insurers as a front
- Having reinsurer as a back
- Defining non-insurable and insurance product

Protect Fraud Claim

- Using Oracle to confirm
- Using AI to pre-screen the manual work
- Reducing manual work
- Using more automated system and have data stamped on blockchain

Risk Transfer Fundamental

RISK EXPOSURE

400 mUSD

PREMIUM

(Risk exposure x Probability) + Buffer

Unclaimed Premium is distributed to
Risk owner, Platform, Capital provider

BUFFER
(~3% of exposure)

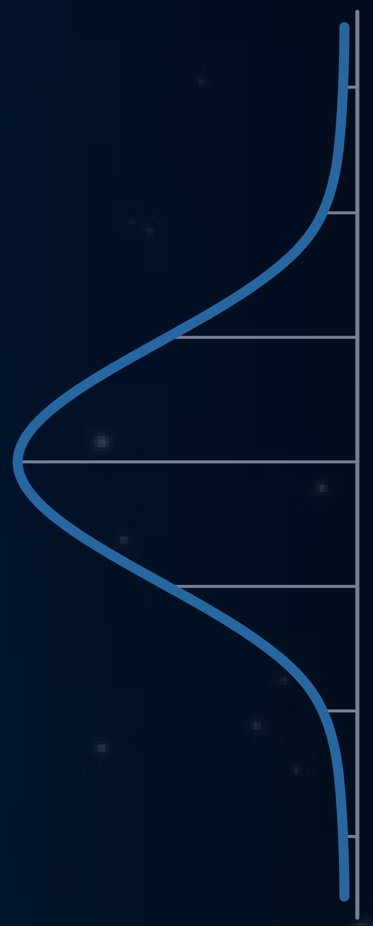
12 mUSD

PURE PREMIUM
(~7% of exposure)
(Expected Risk)

28 mUSD

SCR

Maintain 150% of premium



99.5 (Long Tail Risk)

40 mUSD
100% of Premium

Provided Capital
50% of Premium

20 mUSD

COVEST.FINANCE