

**GUY CARPENTER**

**B3i**  
What is it? Who is it?  
June 2019




**MARSH & MCLENNAN COMPANIES**

---

---

---

---

---

---

---

---

**B3i**  
What it is, who they are...

- What is B3i?
  - The **B**lockchain **I**nsurance **I**ndustry **I**nitative (B3i)
  - Formed in 2016, based in Zurich since 2018
  - Collaboration of insurers and reinsurers
    - 16 shareholders
    - 40 "Community Members"
  - Explore the potential of using Distributed Ledger Technologies (blockchain) within the industry for the benefit of all stakeholders in the value chain
  - Insurance solutions on a blockchain platform offering opportunities for efficiency, growth and quality
- Management of B3i are former (re)insurance executives
  - Zurich, Swiss Re, Munich Re, Ageas, XL Catlin

GUY CARPENTER 28 May 2019 1

---

---

---

---


---

















---

---

---

**B3i**  
What it is, who they are



Source: www.b3i.tech

GUY CARPENTER 28 May 2019 2

---

---

---

---

---

---

---

---

**B3i**  
What can blockchain do for the (re)insurance industry

Idea	Goal
<ul style="list-style-type: none"> <li>Achieve significant efficiencies</li> <li>Single and shared version of the truth through a distributed ledger</li> <li>Improve the way data, claims, capital, payments are disclosed, used, automated and managed</li> <li>Cryptographic security</li> <li>Opportunity to develop smart contracts</li> </ul>	<ul style="list-style-type: none"> <li>Financial transactions will settle faster, cheaper, more transparently and with less operational risk</li> <li>A secure business process across multiple stakeholders without "full trust" in each other</li> <li>Reduce transaction costs</li> <li>Increase transferability/tradability</li> <li>Increase competition</li> <li>New revenue streams and market segments</li> </ul>

GUY CARPENTER 28 May 2019 3

---

---

---

---

---

---

---

---

---

---

---

---

**B3i**  
How it works

- B3i runs shared process, calculation, settlement and reporting on a distributed ledger
  - Multi-party transactions:** cedents, brokers and reinsurers underwriting a contract via nodes
  - Privacy:** encrypted information between parties
  - Smart contract logic in computational logic**
  - Multi-layers:** combining programs, layers, sections and proportional and XOL logic
  - Approvals:** digital signatures have their own root of trust
  - Settlement:** all common accounting data to settle the contract post-placement are generated
  - Asset transfers:** state changes lead to value transfers, traceable in an immutable, digital way

GUY CARPENTER 28 May 2019 4

---

---

---

---

---

---

---

---

---

---

---

---

**B3i**  
Progress

- ✓ B3i Initiative announced
- ✓ B3i incorporated
- ✓ Prototype Catastrophe XOL placement
- ✓ Cat XOL parallel test at 1.1.2019
- ✓ EMP – Early Movers Program
- ✓ B3i PROD environment
- Cat XOL "live" placement
- Expand to Commercial Insurance

GUY CARPENTER 28 May 2019 5

---

---

---

---

---

---

---

---

---

---

---

---



---

---

---

---

---

---

---