


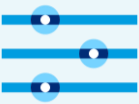



GC StormGrid®

# PARAMETRIC STORM COVERAGE INNOVATION

GC StormGrid provides customized coverage based on storm track information published in real time by global meteorological agencies using a high-resolution parametric model.

Key Features & Benefits	
 <b>Fast</b>	Payments within weeks, not months or years.
 <b>Transparent</b>	Coverage is clear and understood by buyer and seller.
 <b>Flexible</b>	Recoveries can be applied to holistic event economic losses.
 <b>Customizable</b>	Offers a range of coverage triggers to fit within a wide array of budgetary situations.
 <b>Broad Application</b>	Available to reinsurers, corporations and public entities globally.

## GC StormGrid Determines Payouts in Three Simple Steps



### Step #1

Guy Carpenter or the agreed calculation agent extracts the physical event parameters from the reporting agency in accordance with the GC StormGrid contract.



### Step #2

Using the latitude and longitude of the event's reported points, we determine whether the tropical cyclone crosses one or more cells covered in the transaction. We calculate the maximum wind speed in each crossed cell, using the wind speeds at the reported points.



### Step #3

Using the loss index value table included in the contract for each identified cell, we calculate a total loss index value for the tropical cyclone. Using the provided payment table, we determine the appropriate payment level, given the calculated total loss index value.

## Key Properties of GC StormGrid

**COVER TYPE:** Parametric tropical cyclone

**PERILS COVERED:** Perils directly related to TC  
(e.g. Wind, storm surge, rainfall, flood)

**COVERED LOSSES:** Any loss (*including property*) & time element

**CLAIM PERIOD:** Pays within 30 business days; one year for justification loss

**LIMITS:** Typically up to \$200 million via (re)insurance, higher limits via ILS

**MARKETS:** Global reinsurance companies & capital markets funds

**MECHANISM:** High-res cat-on-a-grid

**GEOGRAPHIC AVAILABILITY:** Global

**REPORTING AGENCY:** World Meteorological Organization

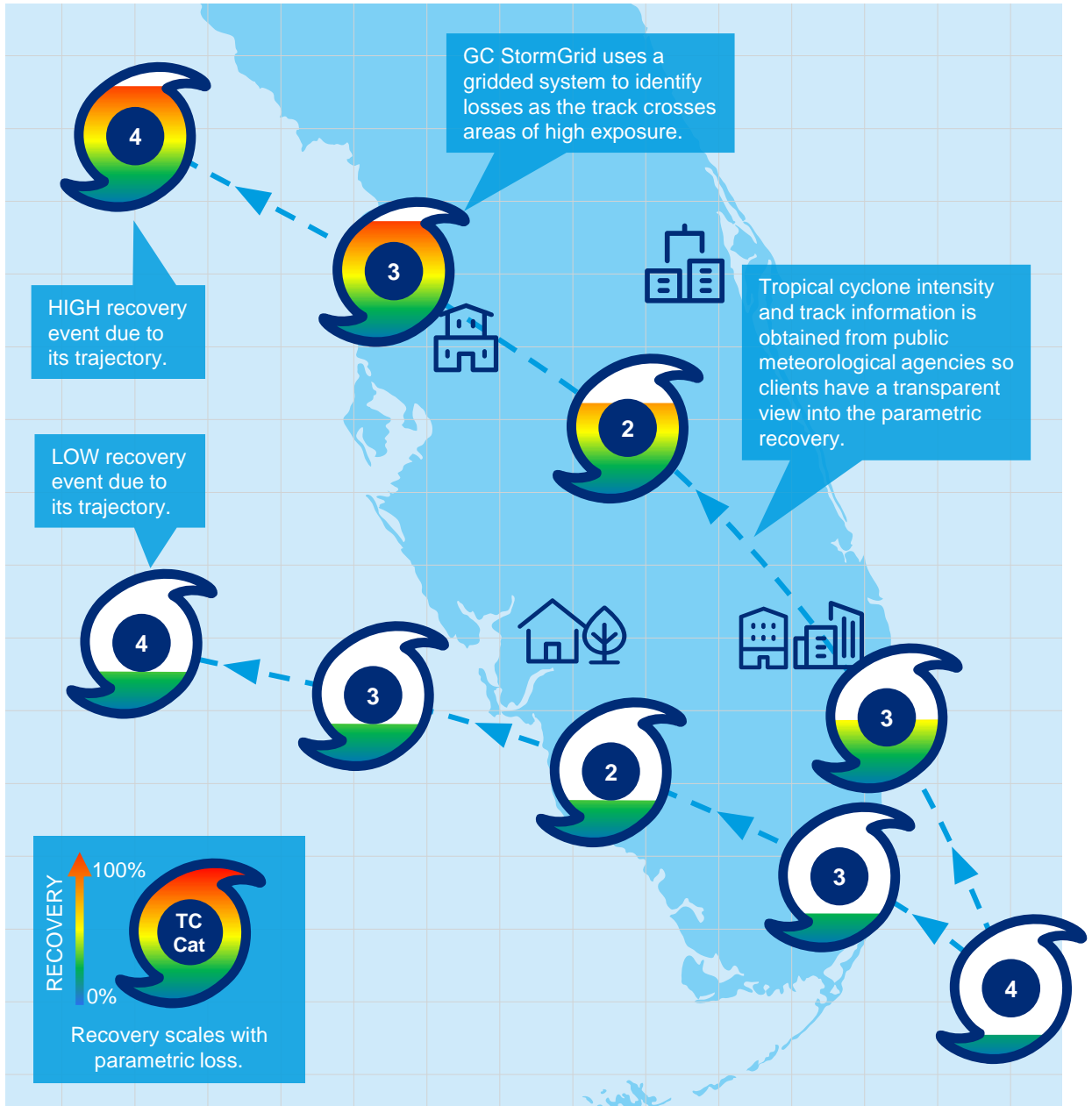
**REPORTING PARAMETERS:** Maximum wind speed along track within coverage area

**CUSTOMIZATION:** Any portfolio

## How It Works: A Tale of Two Storms

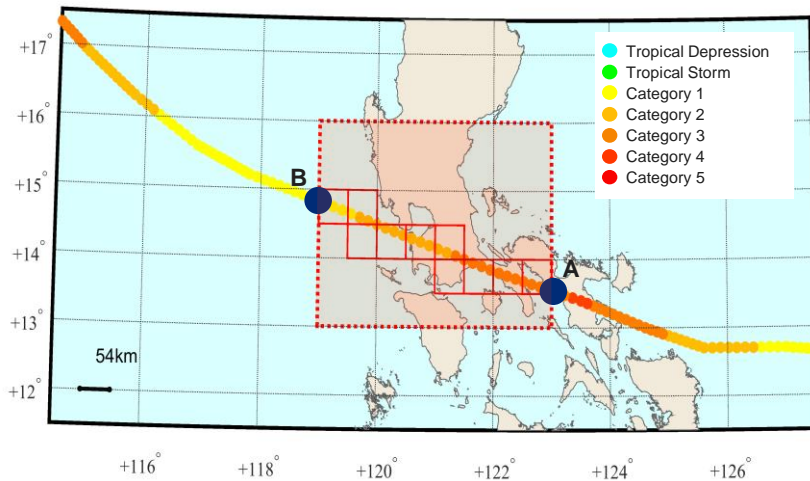
GC StormGrid follows a tropical cyclone through its entire evolution and estimates loss according to the storm's track and intensity. This is done in near real-time, providing clients a rapid view of expected recoveries as the winds develop.

Two events of similar intensity can produce different losses depending on their trajectory – one event passing through areas of high exposure and the other through areas of low exposure.



## Manila Case Study

# On July 15, 2014, Rammasun strikes the Philippines as a Category 4 typhoon



### GC StormGrid

A parametric cover is calibrated with GC StormGrid to respond to loss-causing events in the Metro Manila area.



### Tracking the Event

Rammasun moves from east to west, south of Manila, crossing 10 cells covered in the transaction and reaching maximum wind speeds of a Category-3 equivalent cyclone within the box.



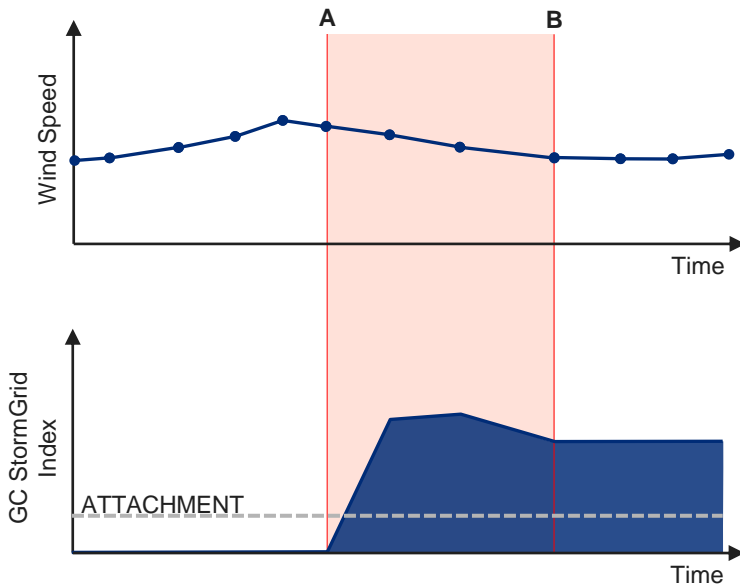
### Loss Estimate

GC StormGrid produces an index value for this event of approximately USD 790 million, sufficient to reach the attachment level of the parametric structure.



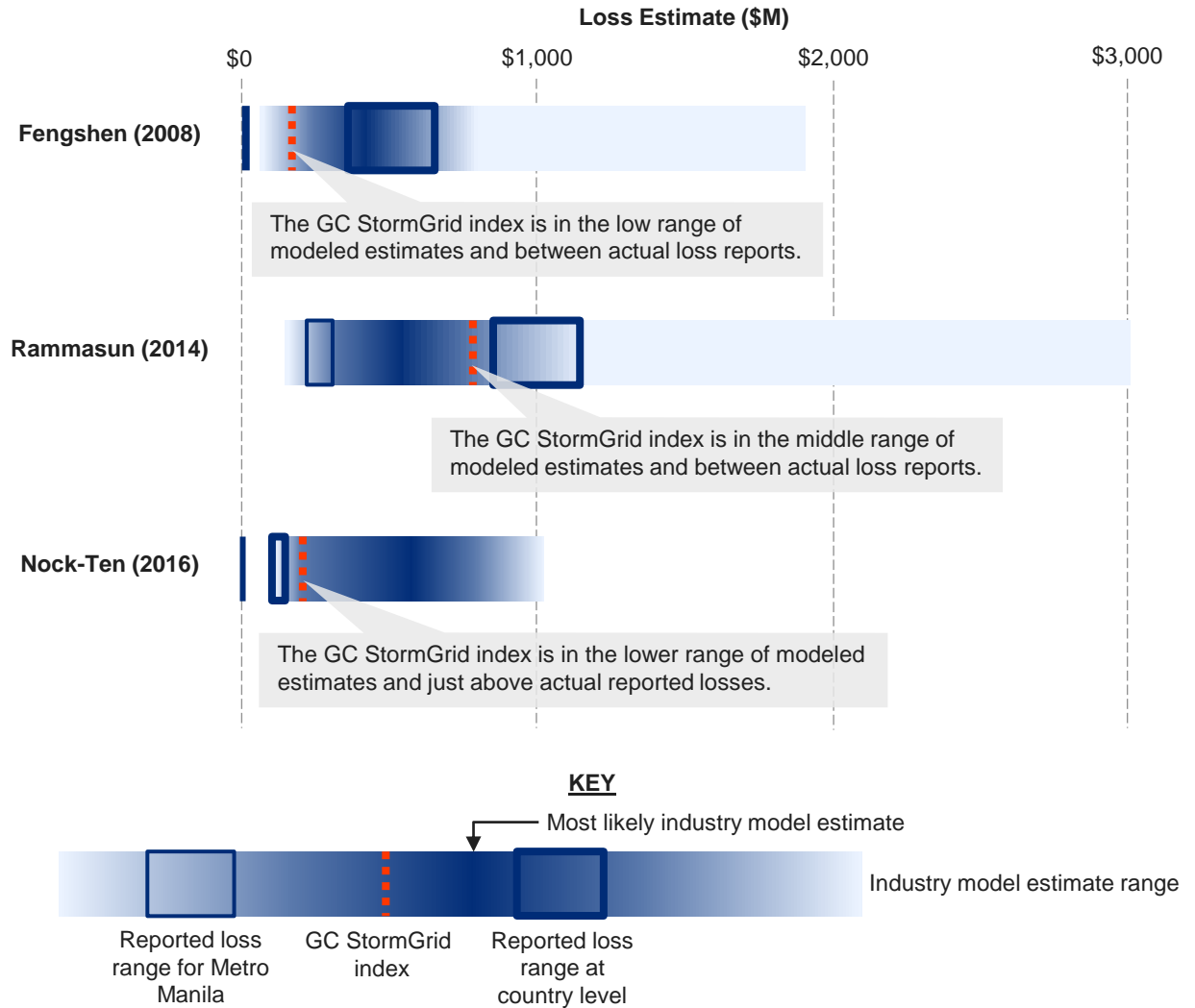
### Payment

After a maximum of 30 business days from the date of the event, the agreed payment is received by the client.



## Manila Case Study Event Loss Validation

For each of these three recent events, GC StormGrid produces loss estimates for the Manila region consistent with those produced by industry models and reported losses.



## GC StormGrid Demo



Please watch an online demonstration clicking the "Play" icon on the right





## Contact us

If you are interested in learning more about GC StormGrid or would like to organize a live demonstration of the platform, please contact any of the following specialists:

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## About Guy Carpenter

Guy Carpenter & Company, LLC is a leading global risk and reinsurance specialist with more than 3,400 professionals in over 60 offices around the world. Guy Carpenter delivers a powerful combination of broking expertise, trusted strategic advisory services and industry-leading analytics to help clients adapt to emerging opportunities and achieve profitable growth. Guy Carpenter is a business of Marsh McLennan (NYSE: MMC), the world's leading professional services firm in the areas of risk, strategy and people. The company's 83,000 colleagues advise clients in over 130 countries. With annual revenue of nearly \$20 billion, Marsh McLennan helps clients navigate an increasingly dynamic and complex environment through four market-leading businesses including Marsh, Mercer and Oliver Wyman. For more information, visit [www.guycarp.com](http://www.guycarp.com) and follow Guy Carpenter on LinkedIn and Twitter @GuyCarpenter.

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