

Product Protection Reinvented

An Industry Transitioning in Real-Time

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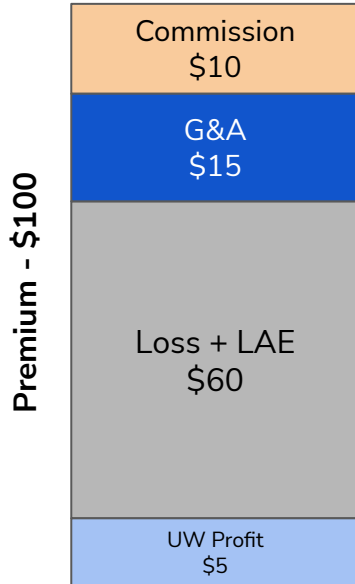
Why Service Contracts are perfect for Tech

Service Contracts are in a similar position to Taxis in the mid-2010's, and this means a similar opportunity to the one that Uber and Lyft seized upon.

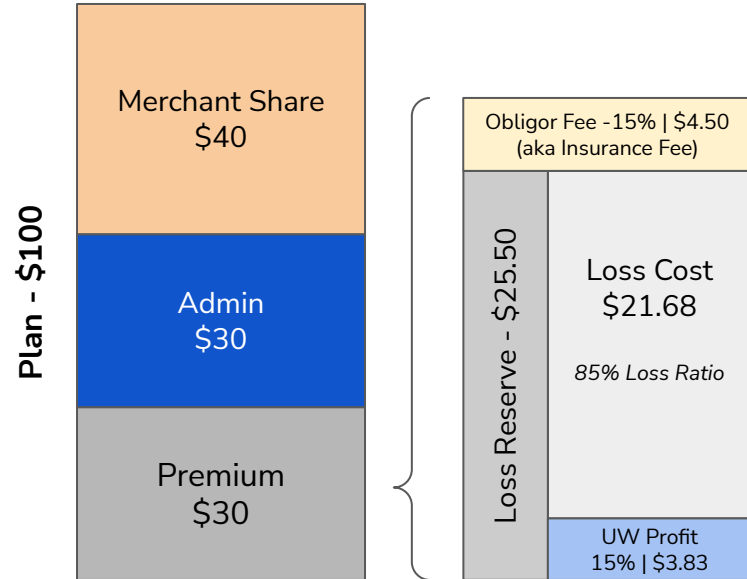
		Taxis	Service Contracts	Example
1	High Volume Low Average Cost	✓	✓	<ul style="list-style-type: none">• Millions of taxi rides costing \$10 - \$100• Millions of service contracts for \$5 - \$300
2	High Barrier to Entry	✓	✓	<ul style="list-style-type: none">• Taxi lobby, unions, local regulation• Service contracts treated differently in each state
3	Scalable to Untapped Market	✓	✓	<ul style="list-style-type: none">• Unserved markets and undersupply for taxis• Small merchants who cannot implement a traditional warranty program

Premium Breakdown (and some silly terminology)

Personal Auto



Product Protection



- Service Contracts = Extended Warranties = Product Protection
- Reserves = Premium portion net Insurance Fee
- Loss Ratio = Loss / Reserves
- ULAE included in Admin \$

The Tech Opportunity

Integrate

Consistent integration opens up opportunities for analysis and scale

Industrialize

Operations can be streamlined to benefit all parties
Program design can be sped up for onboarding and modification

Fine-Tune

or some synOnym thereof

The feedback loop of scale and machine-learning will further improve accuracy and operations

The Advantage of Integration

01

Consistent data

- Sales and claims data coming through the same systems

02

Advanced Analytics

- Depth of data allows for detailed monitoring and sophisticated modeling

03

Strategic partnerships

- Warranties can now be offered through smaller merchants and eCommerce partners

Website Integration

@blendjet

RECIPES USER GUIDE 🔍 👤 (



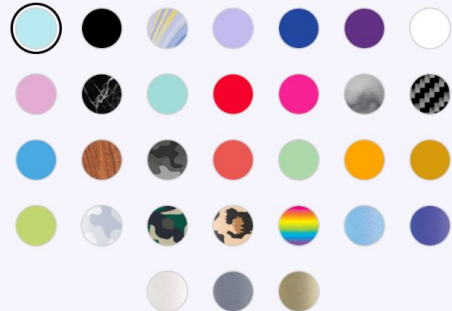
BLENDJET 2 PORTABLE BLENDER

★★★★★ (28,613)

\$49.95 ~~\$99.95~~

or 4 interest-free payments of \$12.49 with **afterpay** ⓘ

COLOR: MINT



Add accident protection offered by **Extend** ⓘ

1 YR - \$4.99

2 YR - \$7.99

3 YR - \$9.99

The Value of Industrialization

01

Insurance setup to open the Tail

- With the insurance pre-determined, the barrier to entry is minimized

02

Program design for setup and customization

- By owning the whole stack, we can quickly customize and modify

03

Claims operations for customer experience

- Chat-bots for immediate claims approval and streamlined shipping options

Industrialized Claims Adjudication



Hi! I'm Kaley 🙌

I am your virtual claims specialist.
How can I help you today?

I'd like to start a new claim.

Sorry to hear you are having a problem.



What type of claim would you like to file?

The Strength of Fine-Tuning and its Ominous synOnym

01

Improved Accuracy

- Improved loss modeling across all product types and scenarios

02

Relevant Offerings

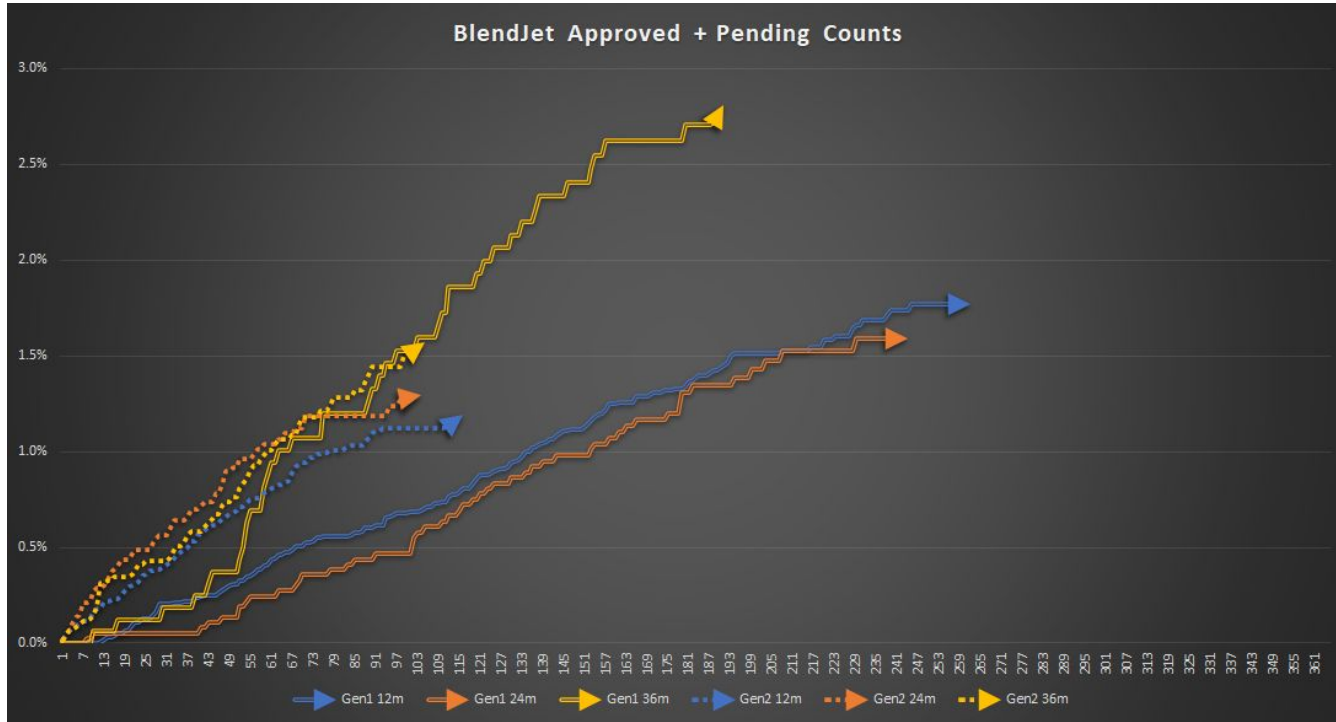
- Shift coverage terms and options toward those most desired by customers

03

Fast & Fair Solutions

- Improve AI of claims administration
- Recognize fraud
- Speed up approval

Fine-Tuning the Pattern



For our small blender merchant, we can use Empirical Cumulative Distribution Functions (ECDFs) to develop its own expected loss development pattern. (numbers fudged because you-know-why)

Thank you!

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