

October 3, 2022

HOW TELEMATICS MITIGATES NAMED STORM UNDERWRITING LOSS

A Study From Hurricane Ian



Background

Hurricane Ian

Hurricane Ian was a Category 4 Hurricane that struck Florida on September 27th, 2022, before making its way up through Georgia, South Carolina and North Carolina.

Ian was a Category 4 hurricane with sustained winds over 155mph. Ian is one of 15 Category 4 or Category 5 hurricanes to make landfall in Florida since weather records began in the late 1800s. The damage was widespread and severe.

Risks to boat owners

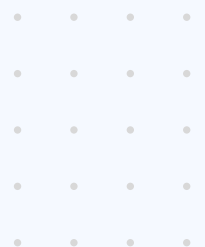
Substantial loss is inflicted in the path of a named storm, from the following causes:

1. Violent, sustained and gusting wind
2. Excessive rainfall
3. High water flooding from storm surge

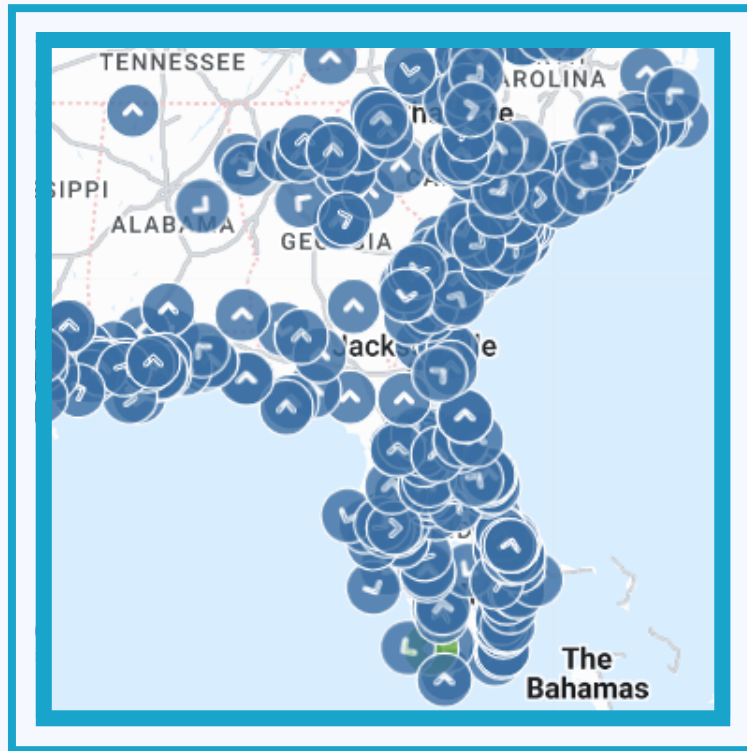
Boat Fix

Through a combination of tracking, monitoring and outreach, Boat Fix took measures to prevent damage to boats, to mitigate the financial losses and to verify security measures taken.

The intention of this report is to demonstrate how telematics can mitigate underwriting loss.



Scope



The following actions were taken by Boat Fix:

1. Pre-hurricane outreach
2. Bilge pump monitoring
3. Recovering missing boats
4. Confirming named storm action plan

Pre-Hurricane Outreach

Boat Fix proactively reached out to clients to guide them through storm preparation.

Given the uncertainty of spaghetti tracking models, all customers in Florida, Georgia, North Carolina and South Carolina were contacted.

Texts Sent	Responses	Opt-outs
100%	16%	0.3%

Details

Erica S
09/29/2022 14:55

Messages

Good afternoon! This is Erica from Boat Fix/Sea Pro Connect. With Ian quickly approaching, I wanted to reach out to let you know we will be monitoring your boat per usual. It would be a great idea to put the protect mode on, via the app. This will create a 100 yard geofence around your boat. If your boat breaks that geofence, you will be alerted with a phone call and you will be able to track it via your app. Stay safe! Best regards, The Boat Fix Team. ✓

Brown Jesse
09/29/2022 14:59

Erica thanks soo much I'm actually in western NC and my boat is stored indoors. I appreciate you looking out for owners though

Erica Singer
09/29/2022 15:01

Of course! Glad you're not in the mix of it. Stay safe!
Erica Singer activations@boatfix.co ✓

Details

Erica S
09/29/2022 14:54

Messages

This is Erica from Boat Fix/Sea Pro Connect. We wanted to let you know that we are very sorry for the devastation that Ian has caused. If you have lost your boat, we would be more than happy to track it to the best of our capabilities. Our thoughts are with you and your family. Please reach out if we can help in any way. Stay safe! Best regards, The Boat Fix Team ✓

+1-407-485-1512
09/29/2022 17:34

Ok thanks everything is good here

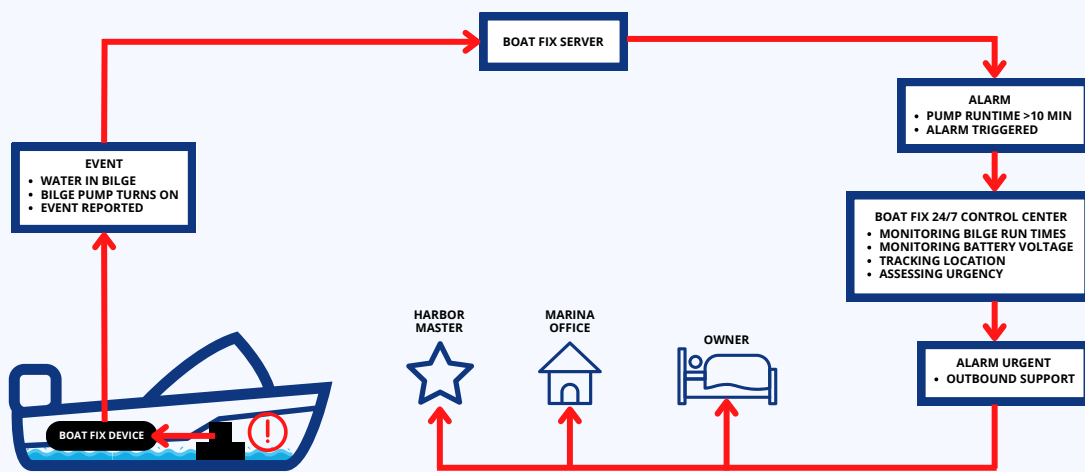
Erica Singer
09/30/2022 14:22

Great! Thanks for letting me know.
Erica Singer activations@boatfix.co ✓

Bilge Pump Monitoring

Sinking can be caused by both rainfall and clogged scuppers and also by high wave heights coming over the gunwales and flooding the boat.

HOW BILGE ALARMS WORK



BILGE ACTIVITY DURING IAN

4,150

Bilge Pump Events during Ian

Boat Fix records every bilge pump runtime.

Missing Boat Recovery

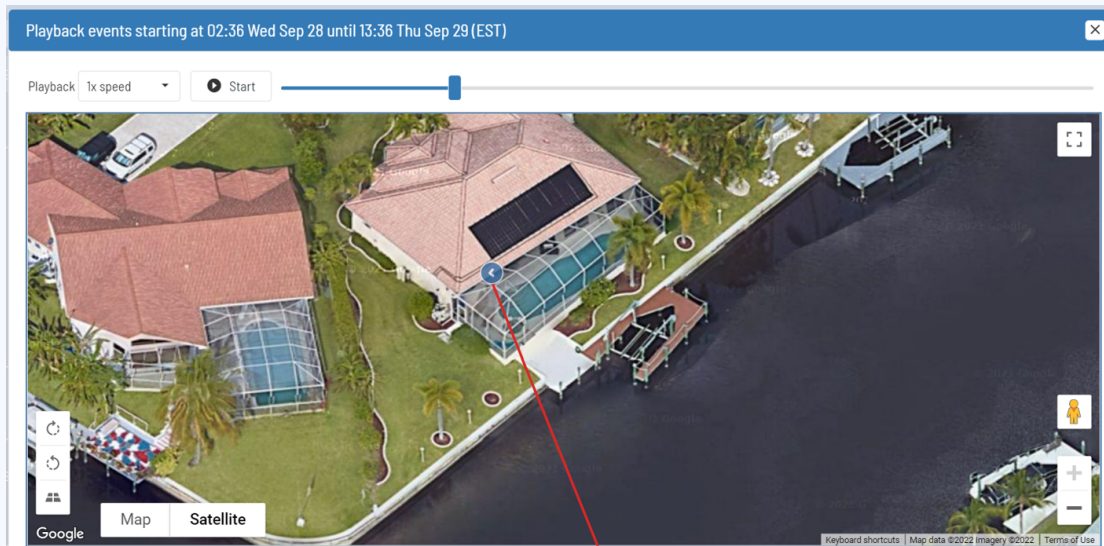
Boat Fix was able to use tracking software to recover boats that had come adrift.

In some cases this resulted in the recovery of an undamaged vessel; in others, it resulted in the recovery of a vessel with salvageable value.

EXAMPLE 1: SEA RAY DLX 2400 [VALUE \$75K-\$125K]

Boat Fix tracked the below boat to a swimming pool down the canal from the owner.

The boat had incurred some damage, but with the help of Boat Fix the owner was able to recover the vessel before more harm was done.

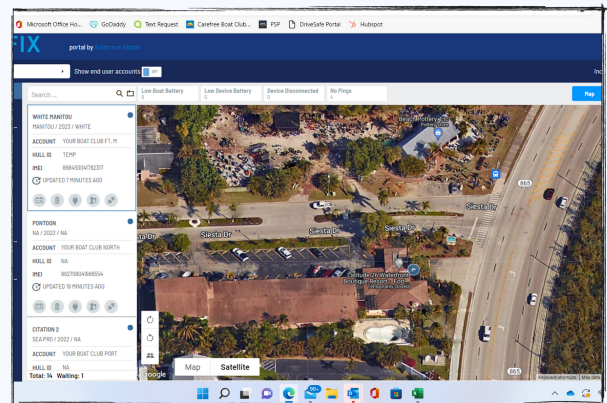
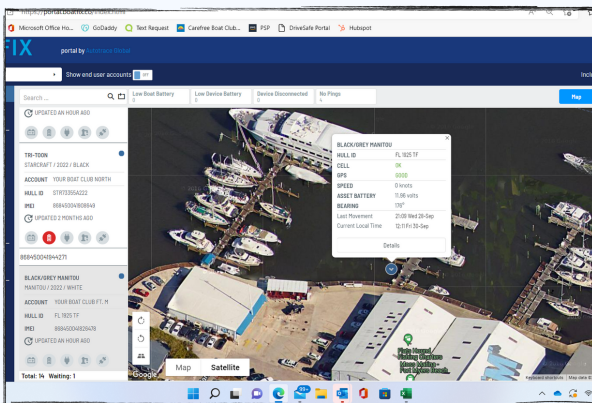


EXAMPLE 2: SEA RAY SDX 290 [VALUE \$125K-\$245K]



A Sea Ray SDX 290 came adrift during Hurricane Ian. The client had not yet installed his Boat Fix device and was unable to locate the vessel, resulting in a total loss.

EXAMPLE 3: MANITOU 2023 [VALUE \$56K-\$80K]

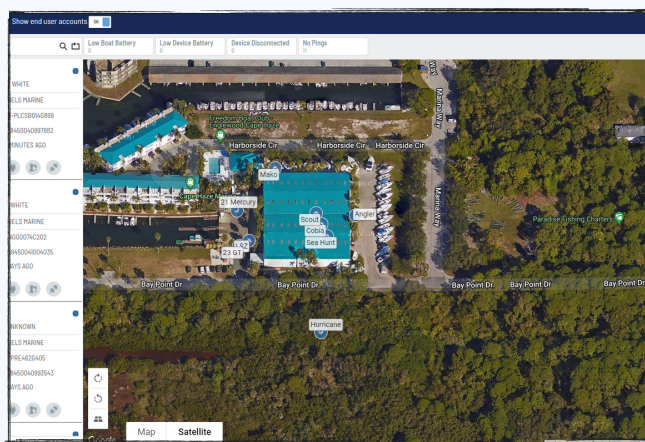


A Manitou Aurora LE 2023 was separated from the rest of the rental fleet. It was successfully recovered with Boat Fix.

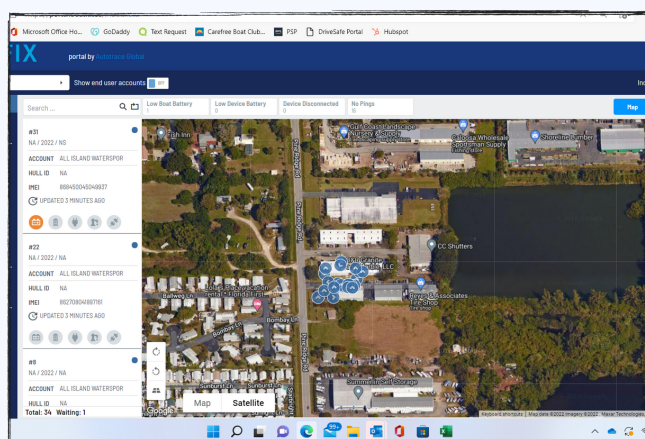
Verification

Boat Fix also has the ability to verify the relocation of assets to ensure that Boat Owners follow their Named Storm Plan.

EXAMPLE 1: VARIOUS RENTALS [APPX. \$750K-\$850K]

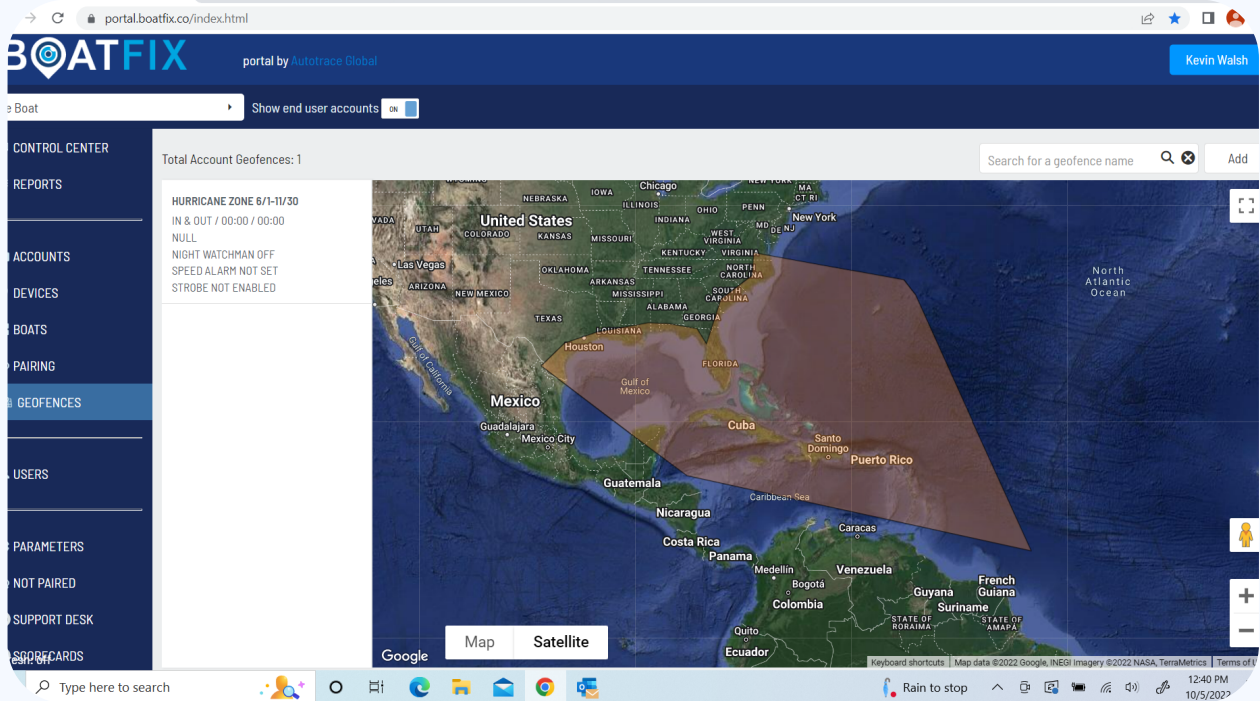


EXAMPLE 2: JET SKI RENTALS [APPX. \$450K-\$600K]



Boat Fix was able to determine that the above clients followed their Named Storm Plan properly.

EXAMPLE 3: HURRICANE AND TROPICAL STORM ZONE



Boat Fix can verify that agreed vessels do not enter the hurricane zone from June to November.

— “ —

I am happy to report that, because of Boat Fix , we have been able to recover every single boat. If we didn't have Boat Fix's tracking service and 24/7 support, Hurricane Ian would have wiped us out"

— Spencer Larson
Your Boat Club | Ft Meyers, FL

— ” —



Summary

Pre-Storm Tracking	Post-Storm Tracking	Customers Contacted	Customer Responses	Bilge Pump Events per Boat	Value of Lost Assets prior to Recovery	Assets Recovered
100%	100%	100%	16%	5.9	\$750K-\$1.5MM	100%

Boat Fix is the only telematics solution with the capability to provide these benefits due to its 24/7 control center.

Outbound personalized communication to boat owners, dealers and service centers, and inbound response are crucial to ensure damage is minimized and boats are recovered.

Sophisticated software monitoring, tracking, alerts, and protection tools aid in this effort.

The severe damage inflicted by Hurricane Ian was mitigated for Boat Fix customers and provides underwriters the capability of minimizing loss and protecting capital.