



Premier Residential  
and Commercial Property  
and Casualty Insurance



# OUR PROMISE

Count on us at the time of greatest need.

HOMEOWNERS | CONDOMINIUM | RENTERS | DWELLING FIRE | FLOOD | COMMERCIAL PROPERTY



# Property and Liability Insurance Specializing in Coastal States Since 1999

UPC Insurance has a successful track record of supporting independent insurance agents and paying policyholders' claims while maintaining financial strength and stability.

In everything we do, we **Keep the Promise®** to policyholders who look to us to provide a financial backstop for their most important asset – their property.



## Five Foundations of UPC Insurance

*Why You Can Rest Easy With UPC*

### 1 FINANCIAL STABILITY

**Our financial strength assures our ability to pay claims**

Your policy is worthless if the company issuing it can't pay claims after a major event. UPC Insurance is tested in this regard, having paid claims on tens of thousands of routine events and 16 separate tropical storms and hurricanes. Throughout it all, we remain financially sound. We have more than \$245 million of equity capital and buy well over \$1.4 billion of additional reinsurance coverage to protect our policyholders.

### 4 EASE OF DOING BUSINESS

**We're easy to work with!**

We know you're busy, so for both agents and policyholders, we want your experience of doing business with UPC to be easy and efficient. That means the ability to report claims and access policy information online, easy access to a UPC representative by phone to answer your questions, and much more.

### 2 PRODUCTS THAT WORK

**Flexible product options meet unique needs**

We offer a selection of customizable products, designed to provide affordable options with superior protection. For both residential and commercial lines, we listen to our agents to understand the needs of policyholders and develop products that meet those needs.

### 5 FAIR PRICING

**Our sensible pricing supports everyone's best interests**

We pledge always to provide a price that accurately reflects the risk we are assuming in writing a policy. That is fair pricing, and in the long run it works to the benefit of agents and policyholders. We want to be competitive with other carriers, but we won't cut prices to win business if it jeopardizes our financial stability and ability to pay claims in all circumstances.

### 3 SUPERIOR CLAIMS SERVICE

**Timely, fair resolution of claims**

We process claims using professional in-house UPC associates who share our commitment to excellence. No matter the situation, we strive to provide all policyholders a timely response and fair resolution of their claims. The results are prompt restoration or replacement of your property and high customer satisfaction.



## Over \$1.4 Billion of Protection

UPC's financial strength and stability is a combination of our \$1.4 billion reinsurance program, stockholders' equity of more than \$245 million and our proven access to capital markets as a public company. We purchase catastrophe reinsurance from 55 unaffiliated capital providers who either carry A.M. Best financial strength ratings of "A-" or higher, or fully collateralize their obligations in cash. Our agreements structure coverage into layers, whereby if the aggregate limit of the preceding layer is exhausted, the next layer drops down (cascades) in its place. Any unused layer protection drops down for subsequent events until exhausted; thereby, guaranteeing there are no gaps in coverage. This unique structure provides robust protection against both large single and multiple smaller events.

UPC has modeled every historical hurricane affecting the United States over the last 115 years with the following results:

### SEVERITY PROTECTION (SINGLE EVENT)

Since 1900, there has never been a hurricane that would have exhausted more than 52% of UPC's 2016 catastrophe reinsurance program.

### FREQUENCY PROTECTION (MULTIPLE EVENTS)

Neither of the two most active seasons on record (2004 or 2005) would exhaust more than 42% of UPC's 2016 catastrophe reinsurance program.

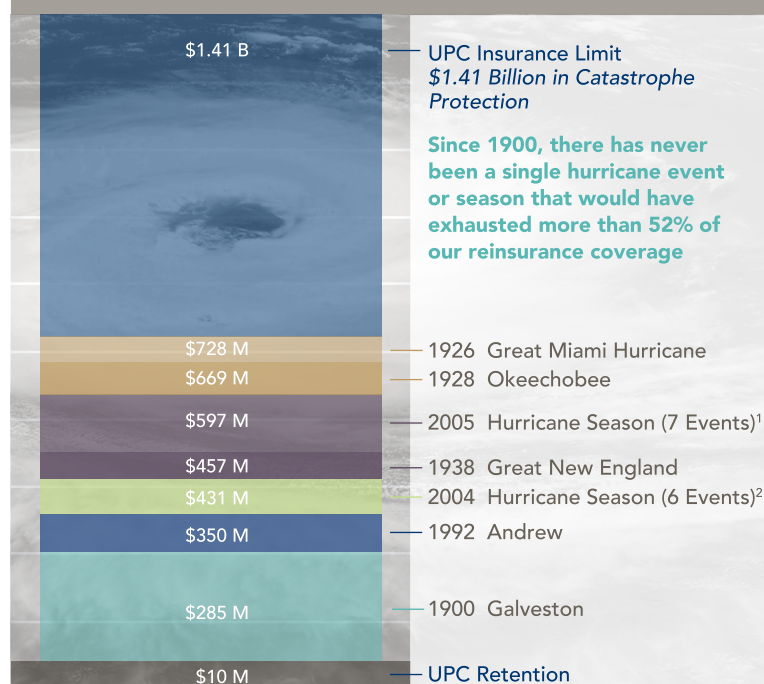
*Our Vision*

To be the premier provider of property insurance in catastrophe-exposed areas.

## Our Story

UPC Insurance was founded in 1999 in Florida, and has operated successfully ever since. During our history, we have paid more than \$1 billion in total claims while maintaining consistent profitability and growing financial strength. From \$5 million of capital at our inception, we have grown today to have more than \$245 million of equity capital and more than \$656 million of total in-force premium in twelve states. UPC is a public company listed on NASDAQ (UIHC).

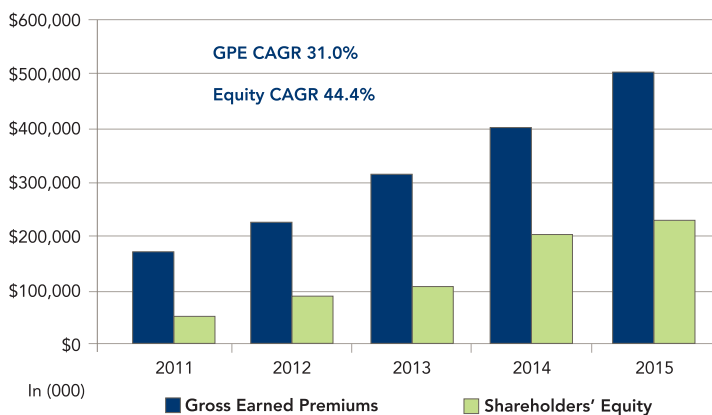
### HOW OUR REINSURANCE PROGRAM WOULD RESPOND TO HISTORICAL EVENTS



Historical hurricane CAT analysis using AIR v3.1 (based on 9/30/16 exposures)

- 2005: Wilma, Katrina, Dennis, Ophelia, Cindy, Emily, Rita
- 2004: Charley, Frances, Jeanne, Ivan, Alex, Gaston

### STRONG, CONSISTENT TOP-LINE AND CAPITAL GROWTH



**UPC**  
INSURANCE

# Find Peace of Mind with UPC's Trusted Products and Services

Homeowners  
Condominium  
Renters

Dwelling Fire  
Flood  
Commercial Residential

## WRITING

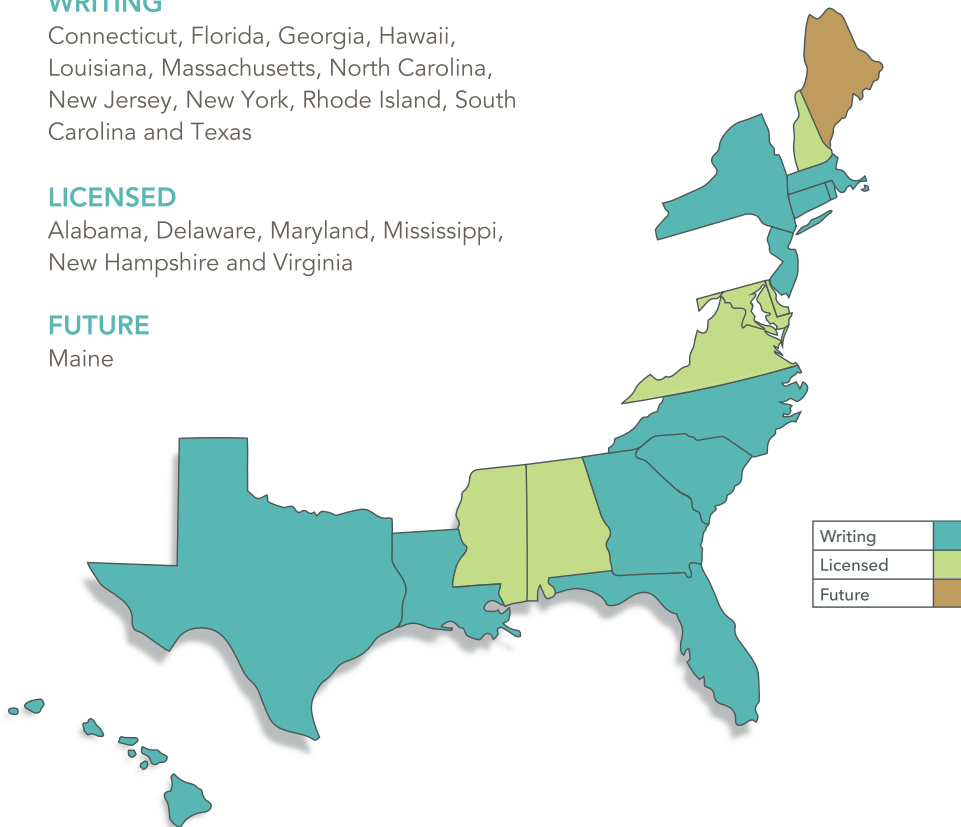
Connecticut, Florida, Georgia, Hawaii, Louisiana, Massachusetts, North Carolina, New Jersey, New York, Rhode Island, South Carolina and Texas

## LICENSED

Alabama, Delaware, Maryland, Mississippi, New Hampshire and Virginia

## FUTURE

Maine



## Financial Stability Rating® of A, Exceptional, from Demotech



Financial Stability Ratings® (FSRs) are a leading indicator of the financial stability of Property and Casualty insurers. Demotech is a financial analysis firm serving the P&C industry. Demotech's FSRs are recognized by Fannie Mae, Freddie Mac and HUD.



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*"A very stressful experience became reassuring, calming and was handled with extreme professionalism."*

— L. Jackson  
Policyholder

*"I wish to extend my deepest appreciation for the time and good will you have displayed through this whole process. In today's world, that's very rare."*

— F. Garzon  
Policyholder

*"We have a client that had a water damage loss in their house. The insured stopped by today to say how smoothly the entire claim process was going and how nice the people from UPC were."*

— Eric Tatro,  
Insurance Agent  
Southeastern Alliance  
Underwriters, LLC

