

Natural Catastrophes Insurance Cover Individual System Summary Updates

As of **Nov. 30, 2018**

1	The name of the Cover	Taiwan Residential Earthquake Insurance Program (TREIP)
2	Cover Purchase / Distribution Channels	<ol style="list-style-type: none"> 1. Combined policy for residential fire and earthquake exposure in one single policy, which covering both fire and earthquake risks. 2. Direct insurance by insurance companies, and then reinsured by TREIF.
3	Coverage (incl. perils, sum insured & premium etc.)	<ol style="list-style-type: none"> 1. Coverage includes total loss or constructive total loss of insured residential building due to earthquake shock or fire, explosion, landslide, land subsidence, land movement, land fissure, land rupture, or tsunami, sea surge and flood caused by an earthquake or its seismic activity. 2. The annual flat premium is set at NT\$1,350. 3. Sum Insured: the maximum sum insured of NT\$1.5 million and contingent living expense of NT\$200,000 per household.
4	Claim Criteria / Loss Trigger	Once the insured residence is assessed to meet the condition of total loss or constructive total loss , the insurer will pay the full claim amount as well as a contingent living expense to the policyholder.
5	Current Risk Assuming and Transferring structure (see following diagram)	<ol style="list-style-type: none"> 1. The maximum limit payable for a single earthquake under this residential earthquake insurance risk assumption is NT\$70 billion. (See following diagram) 2. When total losses payable for a single earthquake event exceed the above-mentioned maximum, claim payments to each insured shall be reduced proportionately.
6	Recent Loss events	<ol style="list-style-type: none"> 1. Tainan earthquake Loss (On 6 Feb 2016) <p>On February 6, 2016, a 6.4-magnitude earthquake struck southern Taiwan, which caused extensive casualties and building collapses/damage in Tainan City.</p> <p>100 households was assessed as total loss for this earthquake. The loss amount (combined Contingent Living Expense and Building loss payment) is NT\$166 million.</p> 2. Hualien Earthquake Loss (On 6 Feb 2018) <p>A magnitude 6.2 earthquake struck eastern Taiwan at 11:50pm. The max. intensity scale 7 was observed in Hualien county, which caused 17 deaths, 291 injuries and 4 collapsed condominium complex.</p> <p>73 insured households received loss payment, approx. US\$3.25m (NT\$100 million).</p>

7	Latest take-up rate (Penetration rate)	<ul style="list-style-type: none"> As of the end of Nov. 2018, the take up rate has reached 34.5% and policies in force have been over 3 million.
8	Current Accumulate reserves (fund)	<ul style="list-style-type: none"> (As of the end of Nov. 2018) TREIF : NT\$ 32.6 billion (US\$1.058 billion)
9	Website/ annual report Linkage	<ul style="list-style-type: none"> Website http://www.treif.org.tw/ Annual report http://www.treif.org.tw/contents/G_news/G5.aspx?id=4
10	Others	

Current Risk Assuming and Transferring structure (diagram)

