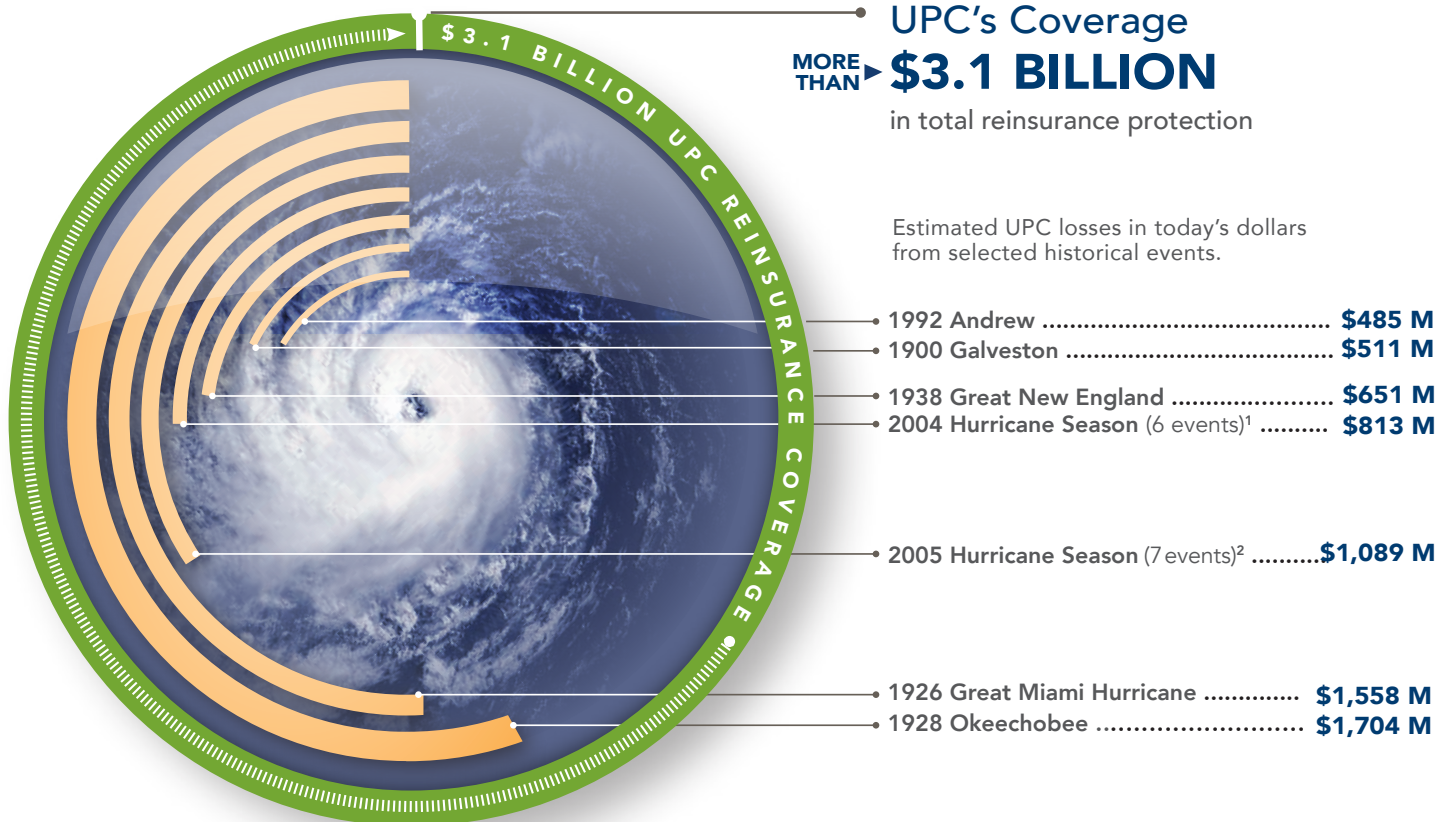


MORE PROTECTION. BETTER FINANCIAL STABILITY. GREATER PEACE OF MIND.

UPC's catastrophe reinsurance program is structured to offer unique protection for both severity and frequency—in other words, it is built to protect against both very large storms and multiple storms in the same year.

Since 1900, there has never been a hurricane event or season that would have exhausted more than 55% of our reinsurance coverage.

How Our Reinsurance Program Compares to Historical Events



UPC Reinsurance Fast Facts

- Our reinsurance plan protects against a one-in-more-than-400-year event—plus single and multiple-named storm seasons.
- **Severity Protection:** No single storm since 1900 would exhaust more than 55% of our catastrophe reinsurance protection.
- **Frequency Protection:** No series of events occurring in one year since 1900 would have exhausted more than 33% of our catastrophe reinsurance protection.
- Our retention of \$60 million is 8.3% of our 3/31/18 equity capital after tax. Our retention outside of Florida is \$25 million. (3.5% of equity after tax)
- Over 61% of our total reinsurance limit is collateralized in cash—we know the money will be there after an event.

¹ 2004: Charley, Frances, Jeanne, Ivan, Alex, Gaston

² 2005: Wilma, Katrina, Dennis, Ophelia, Cindy, Emily, Rita

³ Raymond James estimates for 2018 as of May 14, 2018 excluding catastrophe losses but including the estimated modeled loss from the historical events shown above.

Significant Historical Event Effects on UPC

Historical Event	Est. Industry Gross Loss (\$ billion)	Est. UPC Gross Loss (\$ million)	UPC Performance 2017 Net Inc. ³ (\$ million)	UPC Performance Risk-Adjusted ROAE ³
SEVERITY (Single Event)				
Andrew (FL 1992)	\$54	\$485	\$77.3	13.4%
Katrina (LA 2005)	\$59	\$609	\$103.2	17.5%
Galveston (TX 1900)	\$43	\$511	\$103.2	17.5%
Great New England (1938)	\$43	\$651	\$103.2	17.5%
FREQUENCY (Multiple Events)				
Andrew + Katrina	\$113	\$1,094	\$77.3	13.4%
Galveston + New England	\$86	\$1,162	\$84.7	14.6%

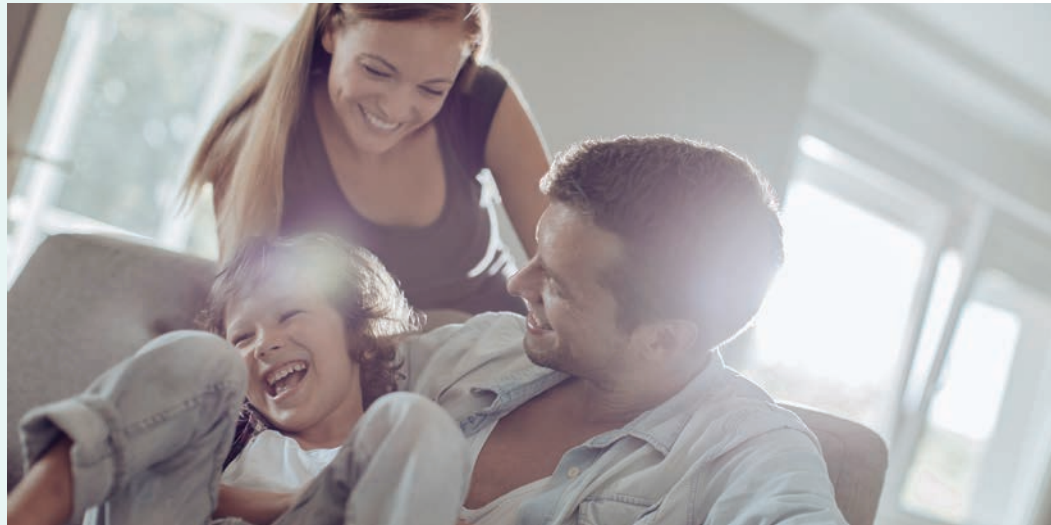
2018-2019 UPC CATASTROPHE REINSURANCE PROGRAM

Why UPC Insurance? We have strong answers.

We were conceived to be your “go-to” for insurance in coastal states. Our financial strength and stability is a combination of our strong reinsurance program, stockholders’ equity, and proven access to capital markets as a public company.

We’re prepared to Keep the Promise® and see you through a multiple-event and/or major catastrophic storm season.

UPC is the **STRONG** answer.



Diversified Multi-Event Reinsurance Coverage Details

	Catastrophe Losses		Non-Catastrophe Losses	
	Wind and Earthquake ¹	All Other Events ²	All Other Perils (AOP)	
All Lines				
Participating Reinsurers	41	2	2	
Key Reinsurers	Elementum, Nephila, Aeolus, Amlin, Everest, Lloyd’s, Transatlantic, Securis	Munich Re, Lloyd’s	General Re (Berkshire), Lloyd’s	
Personal and Commercial Lines			Personal Lines	Commercial Lines
Limit	\$3,127,000,000	\$85,000,000	\$2,500,000	\$70,000,000
Retention				
1st Event	\$60,000,000	n/a	\$1,500,000	\$1,000,000
2nd Event	\$25,000,000	n/a	\$1,500,000	\$1,000,000
Per Occurrence	n/a	\$15,000,000		

¹ Includes all named or numbered windstorms designated by the National Hurricane Center

² Events other than hurricane, earthquake or tropical storm

FINANCIAL STABILITY RATING® OF
A, EXCEPTIONAL, FROM DEMOTECH



MORE THAN
\$3.1 BILLION
IN TOTAL REINSURANCE

**HERE IN YOUR
TIME OF NEED**
NEARLY \$2.5 BILLION IN CLAIMS PAID

PUBLIC COMPANY
LISTED ON
NASDAQ (UIHC)

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