

The logo for Steel City Re, consisting of the words "STEEL", "CITY", and "RE" stacked vertically in white, bold, sans-serif capital letters within a red square.

**STEEL
CITY
RE**

Equity and Reputation Loss Case Study

Validating Steel City Re's Quantitative Models

22 July 2021

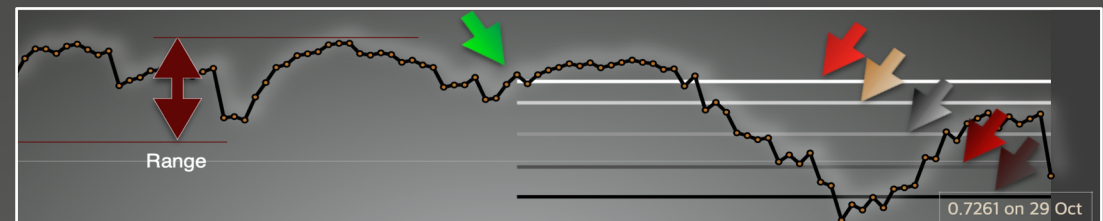
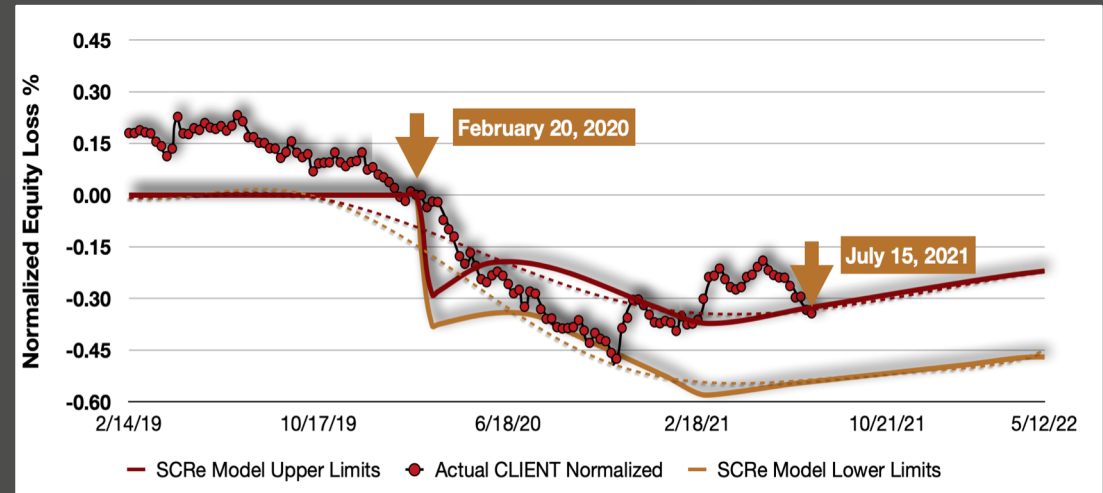
Forging reputation resilience

Validated Loss Model

Steel City Re's client is a \$20bn firm in the commercial services sector that suffered equity and reputational value losses at the onset of the COVID-19 pandemic.

To inform pricing and limits during underwriting, Steel City Re modeled potential crisis-induced equity losses. The client renewed its parametric insurance coverage for the parent and reinsurance for the captive with a binding date of November 1, 2019. Losses associated with the pandemic began February 20, 2020.

Steel City Re's equity loss corridor model and the client's actual equity value losses are shown at top right. Reputational value losses that triggered payment by the captive parametrically at 50% of limits are shown at bottom right.



	LG1	LG2	LG3	LG4	LG5
Potential Trigger Date	7/9/20	7/30/20			
Loss Gate RVM%	0.8822	0.8470	0.7951	0.7410	0.6916
% Limits	35%	50%			
Weeks of Impairment	Paid	Paid			