

Linux Foundation Hosts Collaboration Among World's Largest Insurance Companies

openIDL platform provides a standardized data repository streamlining regulatory reporting and enabling the delivery of next-gen risk and insurance applications

San Francisco, Calif., April 12, 2021 – The Linux Foundation, the nonprofit organization enabling mass innovation through open source, and the American Association of Insurance Services (AAIS), today are announcing the launch of OpenIDL, the Open Insurance Data Link platform and project. The platform will reduce the cost of regulatory reporting for insurance carriers, provide a standardized data repository for analytics and a connection point for third parties to deliver new applications to members.

openIDL brings together some of the world's largest insurance companies, including The Hanover and Selective Insurance Group, along with technology and service providers Chainyard, KatRisk and MOBI to advance a common distributed ledger platform for sharing information and business processes across the insurance ecosystem.

The first use case for the openIDL network is regulatory reporting in the Property and Casualty (P&C) insurance industry. Initially built with guidance from AAIS, a leading insurance advisory organization and statistical reporting agent, openIDL leverages the trust and integrity inherent in distributed ledger networks. The secure platform guarantees to regulators and other insurance industry participants that data is accurate and complete, implemented by a "P&C Reporting Working Group" within the openIDL network.

"From the very beginning, we recognized the enormous

transformative potential for openIDL and distributed ledger technology,” said AAIS CEO Ed Kelly. “We are happy to work with the Linux Foundation to help affect meaningful, positive change for the insurance ecosystem.”

Insurance sectors beyond P&C are expected to be supported by openIDL in the coming months, and use cases will expand beyond regulatory. A “Flood Working Group” has already been assembled to develop use case catastrophe modeling in support of insurers and regulators. openIDL is also collaborating on joint software development activities, building upon Hyperledger Fabric, Hadoop, Node.js, MongoDB and other open technologies to implement a “harmonized data store,” enabling data privacy and accountable operations.

The combined packaging of this software is called an “openIDL Node,” approved and certified by developers working on this project, and every member of the network will be running that software in order to participate in the openIDL network. Additional joint software development for analytics and reporting are also included in the openIDL Linux Foundation network.

“We’re delighted to join openIDL with AAIS and the Linux Foundation. It is strategically important for Selective to be part of industry efforts to innovate our regulatory reporting and use distributed ledgers,” said Michael H. Lanza, executive vice president, general counsel & chief compliance officer of Selective Insurance Group, Inc.

openIDL is a Linux Foundation “Open Governance Network.” These networks comprise nodes run by many different organizations, bound by a shared distributed ledger that provides an industry utility platform for recording transactions and automating business processes. It leverages open source code and community governance for objective transparency and accountability among participants. The network and the node software are built using open source development practices and

principles managed by the Linux Foundation in a manner that enterprises can trust.

“AAIS, and the insurance industry in general, are trailblazers in their contribution and collaboration to these technologies,” said Mike Dolan, senior vice president and general manager of Projects at the Linux Foundation. “Open governance networks like openIDL can now accelerate innovation and development of new product and service offerings for insurance providers and their customers. We’re excited to host this work.”

As an open source project, all software source code developed will be licensed under an OSI-approved open source license, and all interface specifications developed will be published under an open specification license. And all technical discussions between participants will take place publicly, further enhancing the ability to expand the network to include other participants. As with an openly accessible network, organizations can develop their own proprietary applications and infrastructure integrations.

Additional Members & Partner Statements

Chainyard

“Chainyard is pleased to join the OpenIDL initiative as an infrastructure member,” said Isaac Kunkel, Chainyard SVP Consulting Services. “Blockchain is a team sport and with the openIDL platform, companies, regulators and vendors are forming an ecosystem to collaborate on common issues for the betterment of the insurance industry. The entire industry will benefit through more accurate data and better decision making.”

KatRisk

“The openIDL platform will serve to increase access to state of the art catastrophe modelling data from KatRisk and others,

serving to reduce the friction required to house and run said models. KatRisk expects all parties, from direct insurance entities to regulators, to see an increase in data quality, reliability and ease of access as catastrophe modelling output is effectively streamed across OpenIDL nodes to generate automated reports and add to or create internal business intelligence databases. If catastrophe models are about owning your own risk, then the OpenIDL platform is an effective tool to better understand and manage that risk," said Brandon Katz, executive vice president, member, KatRisk.

MOBI

"The Mobility Open Blockchain Initiative (MOBI) is delighted to join with the Linux Foundation, AAIS, and insurance industry leaders in founding OpenIDL. Data sharing and digital collaboration in business ecosystems via industry consortium ledgers like OpenIDL will drive competitive advantage for many years to come," said Chris Ballinger, founder and CEO, MOBI.

For more information, please visit www.openidl.org

About the Linux Foundation

Founded in 2000, the Linux Foundation is supported by more than 1,000 members and is the world's leading home for collaboration on open source software, open standards, open data, and open hardware. Linux Foundation's projects are critical to the world's infrastructure including Linux, Kubernetes, Node.js, and more. The Linux Foundation's methodology focuses on leveraging best practices and addressing the needs of contributors, users and solution providers to create sustainable models for open collaboration. For more information, please visit us at linuxfoundation.org.

ABOUT AAIS

Established in 1936, AAIS serves the property casualty

insurance industry as the modern, Member-based advisory organization. AAIS delivers custom advisory solutions, including best-in-class forms, rating information and data management capabilities for commercial lines, inland marine, farm & agriculture, commercial auto, personal auto, and homeowners insurers. Its consultative approach, unrivaled customer service and modern technical capabilities underscore a focused commitment to the success of its Members. For more information about AAIS, please visit www.AAISonline.com.

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