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May 7th, 2018

Federal Insurance Office
Room 1410
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

RE: Department of the Treasury's Federal Advisory Committee on Insurance [FR Doc. 2018-09217]

To Whom It May Concern:

I am an active speaker on insurance supply chain disruption using blockchain at higher learning institutions such as Fordham University and the University of Houston. InsurEco System participates in numerous conventions and insurTech accelerators such as the Silicon Valley Insurance Accelerator; and our InsureBio mobile application was selected by OnRamp's insurTech Startup Showcase. Current efforts include sharing free access to our Policy Blockchain with state licensing boards and regulating bodies for complete transparency of bound policies.

I would like to submit the following topics for business:

1. **Insurance Data Ownership Rights of the Individual**
2. **Protection of the Licensed Broker Relationship**
3. **Product Pricing / Practices Oversight**
4. **Utility Crypto Tokens Encourage Entrepreneurship**

**** See Appendix A for a detailed commentary on above discussion points. ****

The timing has never been more prudent to get agents, carriers, legal teams, and regulators on the same page without great operational friction. Blockchain can allow our government to oversee the industry in a positive, proactive way, thus ensuring a more stable insurance economy.

Thank you for your consideration,

Derek Lovrenich
CEO / Founder
InsurEco System

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Appendix A: Detailed Commentary

1. Insurance Data Ownership Rights of the Individual

Insurance professionals are utilizing data about consumers to base the price of their insurance. Most of this pricing data is done behind closed doors, and consumers don't see the amount of data collected against them. Blockchain creates a way to store this data via a permission-based method through smart contracts. The consumers' data is inherently theirs, and they should benefit from usage in data analytics and know who is accessing their data.

2. Protection of the Licensed Broker Relationship

There is a large network of licensed insurance brokers who are becoming the target of automation. Many small local brokers are being replaced by larger internet suppliers who are getting large numbers of quotes through high priced technologies. The smaller broker is unable to compete in this top-down marketplace and is losing market share. Securing the Broker of Record in a blockchain solution would ensure a fair playing field for all agents, thus protecting the foundation of the American business model.

3. Product Pricing / Practices Oversight

Product appetite/guidelines are one of the most important pieces for an insurance program or product. The practices surrounding the way the insurer does business is also a vital piece to keeping an insurance product healthy and able to pay claims. A blockchain solution would allow regulators to see in real time the rules being used to distribute the insurance product, and would drastically cut down operational time in the event a carrier becomes insolvent.

4. Utility Crypto Tokens Encourage Entrepreneurship

The Insurance industry as a whole has a high barrier to entry for micro-innovation business models due to the lack of a single premium delivery and tracking system. A true utility token acting as a digitized SaaS fee will allow layering of micro-innovations and usher in a new age of production-ready specialized microservices. Tokens sent through smart contracts can be used to instantly deliver fees and taxes while transparently showing who is getting paid for clearer litigation. Utility tokens will simplify and drastically speed up claims by using smart claim escrow contracts which execute automatically based on predefined conditions.