



Insured Vehicle Identification Network

BUILT BY IBM

POWERED BY THE NAIC



FACT: Many Remedies...No Solution

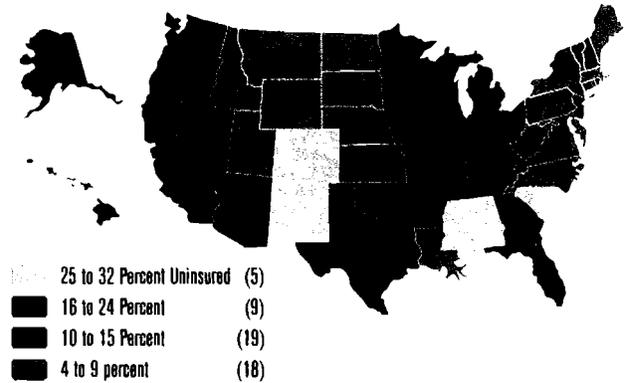
- Compulsory auto insurance
- Uninsured motorist coverage
- No-pay, no play legislation
- State-based data matching
 - 23 states are required to report (ALIR)
 - random sampling
 - monthly reporting
 - comprehensive database
- Unique jurisdictional solutions

Diversity in this area runs contrary to current regulatory modernization efforts. What is needed is a single, uniform, national solution -- IVIN.

FACT: According to the Insurance Journal approximately one in four California motorists are uninsured ¹

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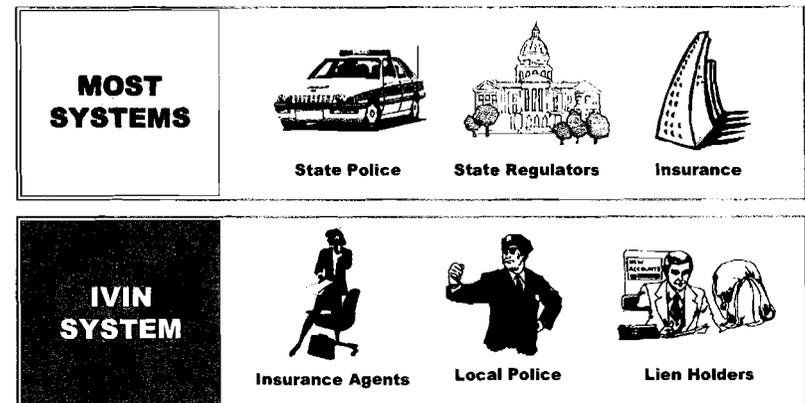
- One in seven drivers nationwide remain uninsured ²
- 14% of injuries from auto accidents are caused by uninsured motorists ³



IVIN Premise

IVIN delivers standardized intelligence that enables enforcement of insurance compliance even at the lowest levels.

Enforcement



The IVIN Process

- provides easy enforcement of insurance laws
- confirms compliance
- reduces the number of uninsured vehicles
- lessens the ballooning cost burden of uninsured drivers
- combats fraud even across state lines
- addresses border concerns for a large number of states

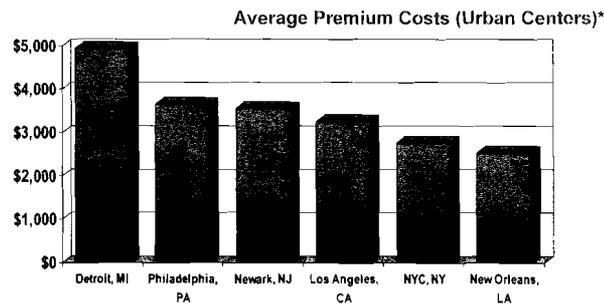
The IVIN Process

- decreases the cost of insurance
- creates a statewide secure digital tool
- protects privacy, insurance economics, and individual state's interests
- creates reliable data through X12 standardization, purification and data matching
- transforms data into results and reports
- meets criteria established by AAMVA, IICMVA and the Texas HB3588 Feasibility Study

The IVIN Solution

IVIN lowers risk to insurance companies. Insuring more people spreads risk.

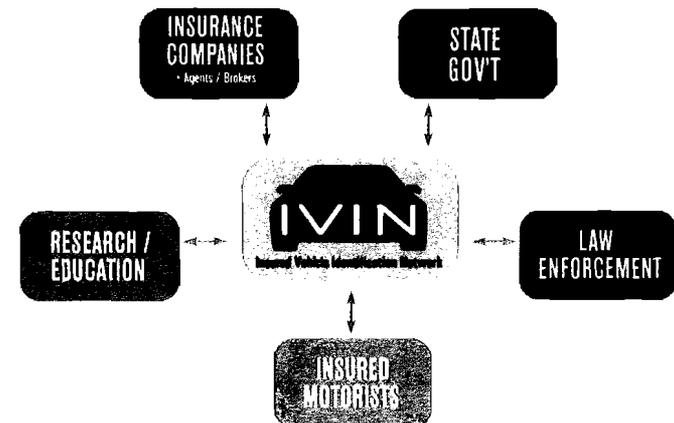
- greatest impact will be realized in areas with the greatest number of uninsured motorists - urban centers
- more affordable coverage equates to greater breadth of coverage ⁴



*Average Annual Premium for All-Inclusive Coverage for a Mid-Size Sedan Driven Within a 50-Mile Radius of the City.
Source: 2004 Runzheimer Study

The IVIN Difference

IVIN is designed for accurate and timely data collection; turning reporting of uninsured vehicles into a revenue program.



The IVIN Difference

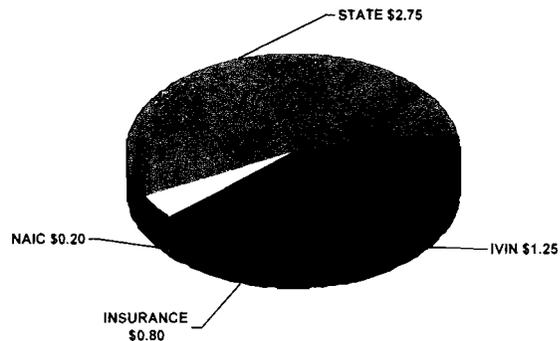
- IVIN is a secure, self-revenue generating, digital information network providing stakeholders instant, secure access to the critical data
- IVIN will be profitable, self-sustaining and scalable
- IVIN generates revenues from fees and fines and enforcement of insurance laws
- IVIN is designed with specific levels of viewing which protects privacy and confidentiality of information

How IVIN Works

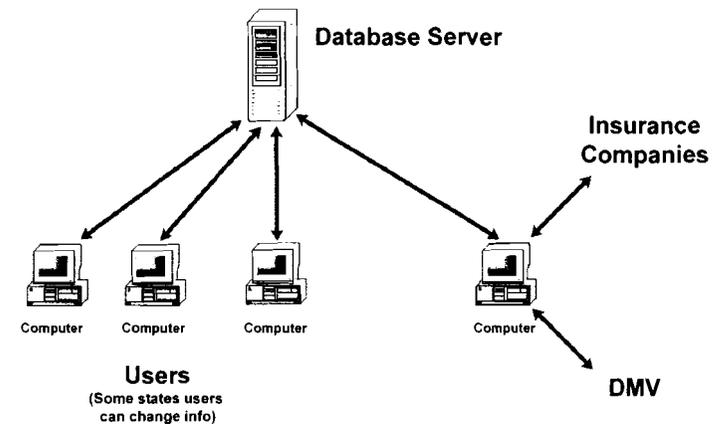
- state law requires insurance companies to electronically confirm insurance status (coverage and lapses in coverage)
- state law requires DMV to electronically report registration status
- IVIN uses its patent-pending process to check data for accuracy and then report it to the main database server
- application servers permit secure, stakeholder-specific "read-only" access
- multi-lingual Mail Center and Call Center notify vehicle owners of lapse in coverage

Budget to Implement IVIN

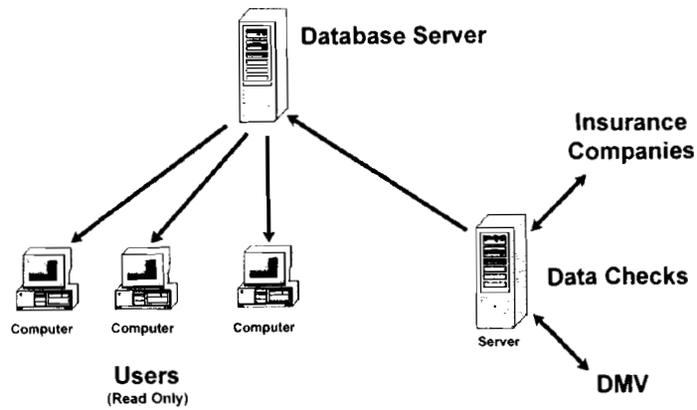
- participating states would increase annual vehicle registration fees
 - pays for the system
 - offsets costs for insurance companies
 - generates new revenue for the states
 - pays for NAIC management and oversight
- in addition, revenue is obtained from unpaid fees and fines



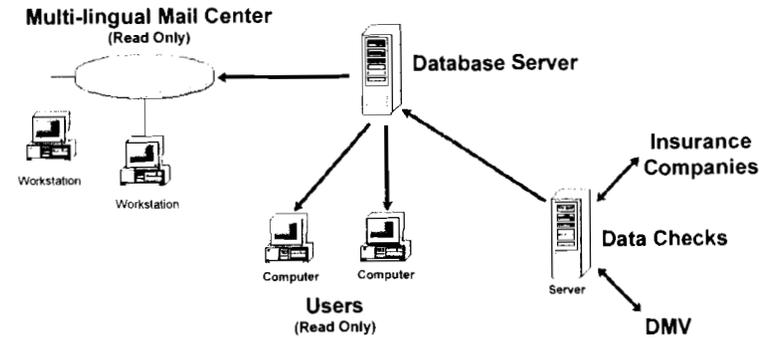
Most States' Basic Structure



IVIN Introduces Data Checks



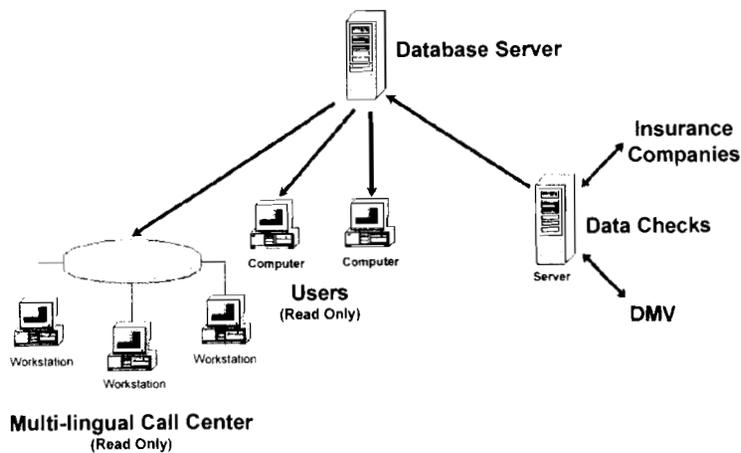
IVIN Introduces Multi-lingual Mail Center



Daily updates identify a portion of uninsured motorist community. Notification is sent out. Notification differs between 1st, 2nd and 3rd time offenders.

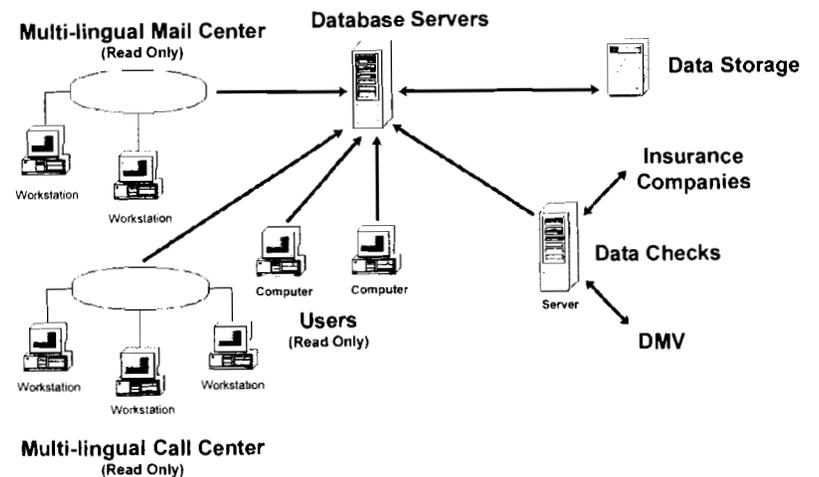
- batches by area
- merges and prints notification
- reports by zip (can be forwarded to law enforcement, lein holders and etc.)
- will process waivers

IVIN Introduces Multi-Lingual Call Center

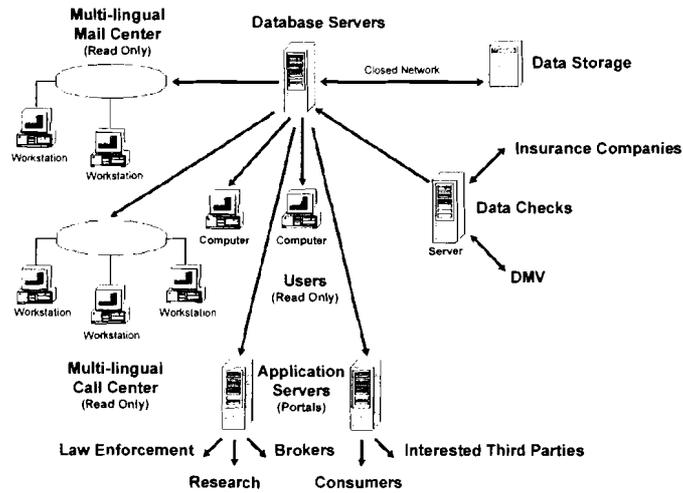


Call Center report goes to IVIN administrative and then gets filtered out to specific or identified agency or department.

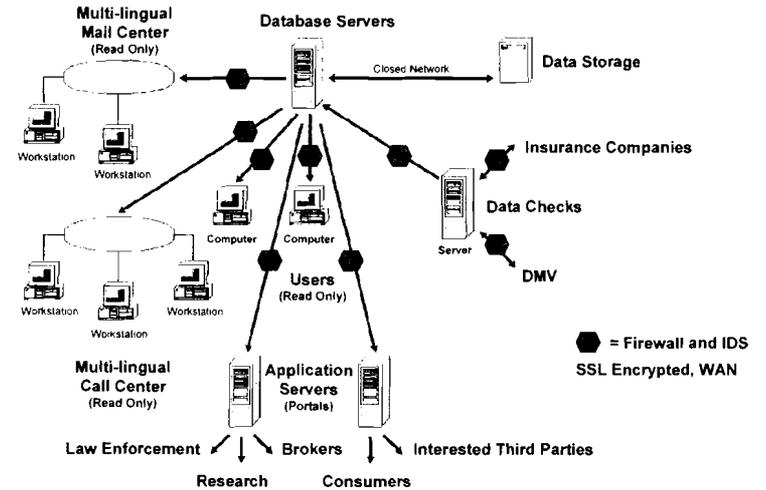
Archive & Activity Log Storage



Full Functionality



Security and Confidentiality



Solution Partners We Scoured the Industry for the Best of Breed



IBM will provide state-of-the-art technology along with system development and process and project management.

Solution Partner



The NAIC's market regulatory system is based upon five primary elements:

1. centralized data collection
2. structured and uniform market analysis
3. uniform examination procedures
4. interstate collaboration
5. a broader continuum of regulatory responses

IVIN will complement NAIC initiatives by

- standardizing national reporting of insurance coverage
- reducing cost burdens
- combating fraud of various types across state lines
- generating revenue to cover the cost of the system including management functions of the NAIC
- increasing revenue to insurance companies, insurance agents, brokers and states
- promoting state control of insurance regulatory enforcement
- positioning the NAIC as the clearinghouse of factual, timely data with regard to motorists and vehicles

The IVIN process is the solution and will impact the number of uninsured motorists nationwide.