MATTERHORN

SPECIALTY INSURANCE · IC SPORTS DIVISION

# WaterSports *Occupational Accident* Carrier Submission.

A bindable program brief for Fishing Instructors & Guides and Paddle Water Sports Instructors & Guides — designed to move IC work-injury protection from voluntary to compulsory.

| PROGRAM CLASS | TOTAL ADDRESSABLE | 5-YR MODELED GWP | STATUS |
|---|---|---|---|
| **OccAcc · 1099 IC** | **~150,000 ICs** | **$118.9M** | **Bindable** |

01 · EXECUTIVE SUMMARY

# A Bindable Program for Two *Underserved* Sport Segments.

Matterhorn is placing an Occupational Accident program for ~150,000 1099 fishing and paddle water sports instructors & guides. The product launches voluntary, with a defined contract path — alongside leading outfitters, lodges, and booking platforms — to become a compulsory IC requirement, modeled on the trucking IC standard.

**MARKET**
~150K
Fishing 80–120K · Paddle 30–50K

**5-YR GWP**
$118.9M
Cumulative · compulsory ramp

**TARGET LR**
55%
Aligned to OccAcc industry norms

**COMBINED RATIO**
~85%
5-yr blended · margin-positive

**THE ASK**

**A fronting / participating carrier for OccAcc on the credentialed sport-IC class set, willing to grow with a compulsory-program ramp.**

02 · MARKET OPPORTUNITY

# ~150,000 Sports ICs · *Two* Distinct Segments.

Both segments share the IC structure: instructors & guides contracted by outfitters, lodges, booking platforms, and educational organizations. Both are largely uninsured today on the work-injury layer.

## SEGMENT A · FISHING INSTRUCTORS & GUIDES

**80K – 120K+**

| | |
|---|---|
| USCG Charter Captains (Six-Pack + Master) | **50K – 65K** |
| State-Licensed Freshwater Guides | **20K – 30K** |
| Fly Fishing Guides & Instructors | **8K – 12K** |
| Casting Educators (FFF, NPAA) | **3K – 5K** |
| Outfitter Operations (multi-guide) | **5K – 8K** |

## SEGMENT B · PADDLE WATER SPORTS

**30K – 50K+**

| | |
|---|---|
| Whitewater Rafting Guides | **8K – 12K** |
| ACA Certified Instructors | **6.5K+** |
| Non-ACA Guides & Instructors | **5K – 10K** |
| SUP Instructors & SUP Yoga | **5K – 8K** |
| Sea Kayak & Kayak Fishing Guides | **5K – 9K** |

03 · PROGRAM DESIGN

# Voluntary *Today.* Compulsory *Tomorrow.*

We are working with leading organizations in each segment to move from voluntary IC purchase to a compulsory contract requirement, modeled on the trucking-industry IC standard. Stage 1 attracts Tier 1 risks first to seed credible loss data.

STAGE 1 · VOLUNTARY LAUNCH

## Months 0–12

Self-pay IC enrollment via QuickQuote · outfitter and platform marketing partnerships · Tier-1 risk acquisition · loss data build.

STAGE 2 · EMBEDDED / GROUP

## Months 12–24

API-embedded enrollment in outfitter and booking-platform contract flows · group-discount structure · opt-out language in IC contracts.

STAGE 3 · COMPULSORY MANDATE

## Months 24+

Outfitters, lodges, and booking platforms make WC or OccAcc a contract precondition for IC assignment — the trucking-style mandate.

CORE COVERAGE

**Occupational Accident · 24-hour or on-the-job trigger · Accident Medical · Disability · AD&D · Optional PTD rider.**

Optional companion lines for the IC stack: GL, Professional Liability, Inland Marine / Equipment, HNOA, Excess. OccAcc is the program anchor.

04 · UNDERWRITING TIERS

# T1 · T2 · T3 — *Risk-Aligned* Segmentation.

Tier 1 is the program target. Tier 2 is acceptable with rate. Tier 3 is conditional or declined absent specific endorsements.

TIER 1 · TARGET

## Lower Severity · Credentialed

CLASSES

- Fly Fishing Guides (wading / drift)
- SUP Instructors & SUP Yoga
- Casting Educators / Clinics
- Sea Kayak Touring (Class I–II)

ELIGIBILITY

- "d2 prior claims, 5-yr
- Credentialed (ACA / FFF / NPAA)
- Outfitter contract on file
- Annual revenue $25K–$150K

TIER 2 · WITH RATE

## Moderate Severity · Mainstream

CLASSES

- USCG Charter Captains (Six-Pack)
- State Freshwater Guides (powered)
- Whitewater Raft Guides (Class III)
- Kayak Fishing Guides

ELIGIBILITY

- "d3 prior claims, 5-yr · no fatal
- USCG / state license current
- Vessel inspection "d24 mo
- Annual revenue $50K–$400K

TIER 3 · CONDITIONAL

## Higher Severity · Refer

CLASSES

- Whitewater Raft Guides (Class IV–V)
- Swiftwater Rescue Instructors
- USCG Master / 100T (offshore)
- Multi-guide outfitter ops

ELIGIBILITY

- Any fatal / disability · refer
- Offshore / Class IV+ · individual UW
- Mandatory safety-program docs
- Excluded absent endorsement

05 · PRICING MATRIX BY CLASS

# Annual Premium · *Base* OccAcc Limits.

Base package: $250K Accident Medical · $500/wk Disability (104 wks) · $50K AD&D · 24-hour optional. Group / outfitter pricing applies a 12–18% volume discount once embedded.

| CLASS | TIER | ANNUAL · LOW | ANNUAL · HIGH | 24-HR |
|---|---|---|---|---|
| Fly Fishing Guide / Instructor | T1 | $385 | $640 | +22% |
| SUP Instructor (flat water) | T1 | $340 | $590 | +20% |
| Sea Kayak Touring (Class I–II) | T1 | $420 | $695 | +22% |
| USCG Charter Captain (Six-Pack) | T2 | $745 | $1,180 | +24% |
| State Freshwater Guide (powered) | T2 | $640 | $985 | +22% |
| Whitewater Raft Guide (Class III) | T2 | $820 | $1,290 | +25% |
| Whitewater Raft Guide (Class IV–V) | T3 | $1,420 | $2,180 | Refer |
| Swiftwater Rescue Instructor | T3 | $1,180 | $1,860 | Refer |
| USCG Master / 100T (offshore) | T3 | $1,540 | $2,420 | Refer |

Base limits as noted. Higher limits available with rate uplift. Multi-policy / outfitter group discount: 12–18%. Loss-experience modifier: ±15%. Final rate locks at carrier review.

06 · ACCEPT / DECLINE

# Underwriting *Guardrails.*

Hard-coded criteria for the QuickQuote app and embedded enrollment flow. Anything outside routes to the Matterhorn underwriting desk for review.

## ACCEPT — AUTO-BIND

- U.S. domiciled IC, age 18–67
- Tier 1 / Tier 2 with valid credential
- Zero open OccAcc / WC claims
- "d2 prior claims, 5-yr · no fatality / no PTD
- Annual gross revenue "d $400K (single IC)
- Outfitter / platform contract on file (preferred)
- Standard 24-mo policy term · monthly billing

## DECLINE / REFER

- Any prior fatal claim or prior PTD
- Tier 3 class without endorsement
- Loss ratio > 100% on prior 3-yr OccAcc / WC
- Operating without required USCG / state license
- Substance-related prior claim within 5 yrs
- Operations outside U.S. territorial waters · refer
- Active litigation against the IC

07 · LOSS RATIO BENCHMARKS & SOURCES

# Modeled Against *Industry-Standard* OccAcc.

Target loss ratio anchored to published norms for trucking IC OccAcc and outdoor-recreation accident programs — not invented internally. Conservative in years 1–2 to absorb the volume ramp.

| PERIOD | MODELED LR | INDUSTRY BENCHMARK | VARIANCE |
|---|---|---|---|
| **Year 1 — Voluntary, low volume** | 62% | 60–65% | On-target |
| **Year 2 — Voluntary scaling** | 58% | 55–62% | On-target |
| **Year 3 — Embedded / group** | 55% | 52–58% | On-target |
| **Year 4 — Partial compulsory** | 53% | 50–55% | On-target |
| **Year 5 — Compulsory mandate** | 52% | 48–55% | On-target |
| **Program LR · 5-Yr Cumulative** | **55%** | **52–58%** | **On-target** |

BENCHMARK SOURCES · CARRIER-DEFENSIBLE

ISO Occupational Accident loss-cost circulars · AM Best Aggregates & Averages (Personal Accident composite, 2019–2024) · NCCI severity curves · National trucking IC OccAcc MGA composites · Outdoor-recreation accident program comparables (NICOA, K&K, Markel SpecialEvent · anonymized).

08 · 5-YEAR PROFORMA SUMMARY

# The *Complete* 5-Year Picture.

Bound IC count, written premium, losses, expenses, and underwriting result — the full carrier P&L view across the voluntary · embedded · compulsory ramp.

| YEAR | ICS | AVG PREM | GWP | LOSS & LAE | LR% | EXPENSE | CR% | U/W RESULT |
|---|---|---|---|---|---|---|---|---|
| **Yr 1 · Voluntary** | 3,500 | $685 | **$2.4M** | $1.49M | 62% | $0.72M | 92% | **$0.19M** |
| **Yr 2 · Voluntary Scale** | 9,800 | $705 | **$6.9M** | $4.00M | 58% | $2.07M | 88% | **$0.83M** |
| **Yr 3 · Embedded** | 22,500 | $735 | **$16.5M** | $9.08M | 55% | $4.95M | 85% | **$2.47M** |
| **Yr 4 · Partial Mandate** | 42,000 | $770 | **$32.3M** | $17.12M | 53% | $9.69M | 83% | **$5.49M** |
| **Yr 5 · Compulsory** | 75,000 | $810 | **$60.8M** | $31.62M | 52% | $18.24M | 82% | **$10.94M** |
| **5-Yr Cumulative** | **152,800** | **$778** | **$118.9M** | **$63.31M** | **55%** | **$35.67M** | **85%** | **$19.92M** |

Expenses include 30–36% acquisition (MGA UW + producer override + fronting fee) plus loss adjustment. Underwriting result is gross of capital cost. Penetration at Yr 5 "H 50% of TAM.

| 5-YR GWP | 5-YR U/W PROFIT | BLENDED COMBINED RATIO |
|---|---|---|
| **$118.9M** | **$19.9M** | **85%** |

09 · DISTRIBUTION & MGA ECONOMICS

# Channel *Commitment* · Aligned Economics.

## DISTRIBUTION · CHANNEL COMMITMENT

The four channels carrying the 5-year volume model.

**Outfitter / Lodge Direct**
MOUs in motion · 2 anchor LOIs
Yr5: 38K ICs

**Booking Platforms**
Active conversations · NDA-bound
Yr5: 22K ICs

**Industry Bodies (ACA, FFF, NPAA)**
Cert-renewal embed scoped
Yr5: 11K ICs

**Specialty Broker Channel**
5 agencies signed · pipeline live
Yr5: 4K ICs

## MGA ECONOMICS · COMMISSION STACK

| | |
|---|---|
| MGA Underwriting Commission | 18% |
| Producer / Channel Override | 8–12% |
| Carrier Fronting Fee | 4–6% |
| **Net Distribution Cost** | **30–36%** |
| Loss & LAE (target) | 55–60% |
| **Carrier Margin (target)** | **8–10%** |

### AUTHORITY & ALIGNMENT

MGA UW authority within written appetite (T1/T2 auto-bind, T3 referral). Monthly bordereau by 5th business day. Quarterly LR review with carrier UW. 24-month performance review window with mutual exit rights.

10 · THE ASK & THE TIMELINE

# Term Sheet *Path* · 60 Days to First Bind.

We are seeking a fronting / participating carrier with appetite for OccAcc on a credentialed, U.S.-domiciled IC population — willing to grow with a compulsory-program ramp.

DAY 0–14

### Term Sheet

Carrier appetite letter · indicative pricing · key terms exchanged

DAY 15–30

### UW Walk-Through

Class-by-class UW alignment · accept/decline calibration · bordereau format

DAY 31–45

### Forms & Filings

Policy-form filings · QuickQuote app calibration · binder readiness

DAY 46–60

### First Bind

Live distribution turn-on · first IC certificates issued · Day-60 review

CONTACT

**Matterhorn Insurance Group · IC Sports Division**

Carrier submission · contact your Matterhorn placement lead · matterhorninsurance.com · IC Sports Program

*Let's build the OccAcc standard for sport.*