zesty AI

548 Market St, PMD 75392
San Francisco, CA 94104
1-650 999-9900
hello@zesty.ai

**Re**: Opportunity to Rebuild a Productive Partnership

**TO**:

Andy Marcell, CEO of Risk Capital
John Neal, Global Chairman of Climate Solutions and Global CEO of Reinsurance
Paul Shedden, Global Analytics Leader for Reinsurance Solutions
Elizabeth Henderson, Global Head of Climate Risk Advisory

July 21, 2025

Dear Andy, John, Paul, and Liz,

On February 19, 2025, Aon Re (Aon) filed a patent lawsuit against ZestyAI. In response, ZestyAI is prepared to aggressively defend itself by challenging Aon's patents in the United States Patent and Trademark Office. However, before we expand the scope of litigation, we would encourage Aon to turn the page, dismiss its lawsuit, and focus on rebuilding a productive business relationship. We are available to discuss resolving this lawsuit at your convenience.

We have attached four Inter Partes Review (IPR) petitions that ZestyAI has drafted to invalidate every claim of every patent that Aon has asserted against ZestyAI based on strong prior art. We rely on U.S. Patent Application 2015/0186953, which describes using a "Classifier" to identify "building elements," their "types," and their "condition," "using a variety of techniques, including statistical processing, neural networks, etc., which can be used to detect and extract features." We also rely on U.S. Patent No. 10,755,357 assigned to State Farm Mutual Automobile Insurance Company, which is titled "Aerial Imaging for Insurance Purposes," and which discloses that "digital aerial imagery … may be processed … to determine one or more features of the property" to "determine a risk of damage." Those and other references identified in the IPR petitions demonstrate that Aon's patent claims were obvious and should never have been granted in the first place.

If Aon does not dismiss the lawsuit with prejudice by July 31, 2025, we have no other option but to file IPR petitions before the Patent Trial and Appeal Board of the United States Patent and Trademark Office. Please note that the IPR challenges could readily be adapted to challenge and invalidate non-asserted patents in Aon's portfolio, such as U.S. Patent Nos. 11,347,976, 11,551,040, 11,687,768, 11,853,889, and 12,205,031. Naturally, those actions would involve further time and expense for both sides—resources we believe are far better directed toward creating value for our shared clients.

We believe it is time to move past legal disputes and focus on the value we can deliver together to the insurance ecosystem. Throughout this process, we have maintained respect for our longstanding relationship. ZestyAI has been a partner in good standing with Aon since 2019. Today, we serve more than half of the Top 100 U.S. P&C insurance carriers, many of whom place reinsurance through Aon. Our AI-powered climate and property risk models enjoy broad regulatory acceptance, with over 50 regulatory approvals.

Looking ahead, the opportunity for collaboration is significant. ZestyAI's risk models have reduced PML in multiple reinsurance placements, generating over $100 million in savings for

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cedents this year alone. They also improve rate adequacy, enhance risk selection, and support more effective structuring of catastrophe reinsurance towers ahead of renewal. Furthermore, carriers relying on ZestyAI's models are seeing over 4 points of improvement in their combined ratios. A renewed partnership could help Aon scale this impact, delivering more value to clients and offering a differentiated solution to win new business.

Simply put, there is far more to gain through collaboration than continued litigation. We would welcome the opportunity to return to the table and explore how we can achieve this together, guided by our shared commitment to supporting insurers and strengthening the resilience of the communities they protect.

We would be glad to discuss next steps by July 31, 2025. Please let us know what works best on your end.

Thank you for your consideration.

Best regards,

**Attila Toth**
Founder & CEO, ZestyAI