

Product Value - Information Exchange – Unmanned Ariel System (UAS) Insurance

Company (Co-Manufacturer)	Starr International (Europe) Limited, Starr Europe Insurance Limited or Starr Managing Agents on behalf of Lloyd's Syndicate CVS 1919 ("Starr")
Co-Manufacturer	Coverdrone Limited or Coverdrone EU B.V.
Product name	Unmanned Ariel System (UAS) Insurance (<i>Recreational Use</i>)
Date	February 2023

Manufacturer Information

The fields below should be completed by the carrier. The information provided should be sufficient for distributors in the chain to understand the value of the product, the intended target market and those to whom the product should not be marketed. Other information should be included (if relevant) to advise distributors of how their known or expected actions might affect the value of the product.

Product information

Product Oversight

This product has been subject to the Starr's Product Oversight and Governance (POG) process and has been reviewed and signed off by Starr's Conduct and Product Oversight Committee (CPOC) as representing fair value to customers. This is in light of a review of the following:

- Nature of the product and the coverage provided
- Cancellation data
- Claims volumes, declinature rates and average claims pay out
- Loss ratios
- Customer feedback including complaint volumes and root cause analysis
- Pricing model and the total acquisition costs including commissions and other remuneration
- Reasonableness of any admin and/or cancellation fees
- Suitability of the distribution strategy

What do we cover?

This insurance provides cover for the insured's potential liability to others arising from the use of their UAS recreationally. Cover will only be provided for the sections selected and paid for:

Section One

- Accidental physical loss of or damage to UAS (up to the limit stated in the policy schedule)
- Reasonable Trespassers costs and expenses for wreck removal.

Section Two

- Third party legal liability. Insured's legal liability to third parties for damages caused whilst they are operating their UAS only (subject to the limit of liability stated in the policy schedule).
- Reasonable defence costs and expenses.

What is the Product Duration?

Customers have a range of options when buying a policy, from a one day policy to an annual policy. This gives the customer full flexibility.

How are Claims Handled?

Claims are handled by Coverdrone via Delegated Claims Handling Authority. Service Level Agreements (SLA's) are in place and the Binding Authority contract clearly lays out authority levels and MI reporting requirements. These measures, in addition to a regular audit programme and MI analysis, ensure a good claims service is maintained for customers.

How are complaints handled?

Complaints can be handled by Starr or Coverdrone via Delegated Complaints Handling Authority. SLA's are in place and the binding authority contract clearly lays out authority levels and time scales. Regular analysis of all complaints received ensure Starr can identify any necessary policy changes to ensure fair customer value is maintained over time.

Target market

What are the Customer types & Locations?

This product is designed to offer protection to customers in respect of damage to their UAS or ground equipment and to protect them from liability claims arising out of property/bodily injury to third parties.

The target market is recreational flyers who need coverage to be compliant with their local regulations.

The product can be made available to customers domiciled in UK, Falkland Islands, Guernsey, Isle of Man and Jersey.

Geographical territorial limits and exclusions are outlined within the IPID and Policy wording.

Any types of Customer for whom the Product would be unsuitable?

The product is suitable for a wide range of UAS owners/operators however it is not suitable for Operators with UAS's in excess of 75kg in weight.

It is also unsuitable for large military / surveillance drones or underwater drones.

Any notable Exclusions or circumstances where the Product will not respond?

Exclusions may include losses arising from:

Section One

- Wear and tear, deterioration, depreciation, freezing, breakdown, defect or failure caused in the UAS.
- Damage by anything that has a progressive or cumulative effect but damage attributable to a single recorded incident is covered.
- Theft if the UAS is not kept in a Secure Environment.
- Damage to cameras or scanners due to scratching, fogging or misting of lens.

Section Two

- Property Damage to any property belonging to you or in your care, custody or control.
- Bodily Injury sustained by you whilst operating your UAS.
- Claims arising from Advertising Liability.
- Fines, penalties or punitive or exemplary damages.

In some circumstances it may be possible to broaden coverage and in these circumstances fewer exclusions may apply. Appropriate premium adjustments will be made, with continued focus on product value for the customer.

Please also note that the following restrictions on cover [may] apply in relation to:

- Use of your UAS for any purposes other than Recreational Use.
- Use of your UAS outside the agreed geographical limits.
- Operation of the UAS by any person who is not an authorised operator.
- Operation of the UAS in breach of any Air Navigation and Airworthiness Orders and Country Regulations.

Other information which may be relevant to Distributors?

Coverdrone contact: office@coverdrone.com
Claims contact: office@coverdrone.com
Complaints contact: complaints@starrcompanies.com

Date Fair Value assessment completed	06 February 2023
Expected date of next assessment	05 February 2024