

## 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>Commercial Operators</i> )
Date	April 2024

### 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 Product Oversight Group 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, declination 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 or Airborne Equipment

- Starr will pay for accidental physical loss of or damage to the UAS and/or Airborne Equipment up to the limit stated in the Policy Schedule occurring during the Period of Insurance whilst in Flight/Flying, on the Ground or whilst being Transported.
- Starr will, in addition, pay any reasonable expenses incurred for the purpose of attempted or actual removal, disposal or destruction of the wreck of an UAV up to the amount stated in the Policy Schedule.
- Starr will at the request of the Insured and regardless of the Insured's legal liability, offer reasonable settlement in respect of loss of or damage to crops and/or other property caused by trespassers following a crash of the UAV up to the amount stated in the Policy Schedule.

## Section Two – Legal Liability to Third Party

- Your liability for Bodily Injury and/or Property Damage to third parties including whilst using vehicles airside, liability for damage to third party property whilst on the ground and being serviced, handled or maintained by you and liability arising out of the Products Hazard as defined in the Policy wording.
- Invasion of Privacy
- Data Liability Event caused by an Occurrence and arising from your UAS business operations

### **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 commercial operators 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, Jersey, EU, Canada, Australia and New Zealand.

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 500kg 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

- For any wear and tear, deterioration, depreciation, freezing, breakdown, defect or failure howsoever caused in the UAS and/or Airborne Equipment.

*This document has been produced by Starr in accordance with our regulatory responsibilities as a Product Manufacturer. It is intended for use by our distributors and not for customers.*

- For damage to aerial cameras or scanners (other than as a result of an accident to the carrying UAS) due to scratching, fogging or misting of lens.
- For any damage to the UAS or Airborne Equipment if the lifting weight recommended by the Manufacturer for the UAS make and model is exceeded when any Airborne Equipment is attached.
- For damage occurring to the UAS and/or Airborne Equipment whilst being Transported if it is not packed in accordance with the manufacturers guidelines or in a securely stored and padded flight case.
- Damage while participating in air racing events.

#### Section Two

- For Bodily Injury sustained by any director or employee of the Insured or partner in the Insureds business or operation while acting in the course of his employment or duties for the Insured.
- For Property Damage to any property belonging to or in the care, custody or control of the Insured. However this exclusion does not apply to Property Damage to a UAS not owned by the Insured whilst on the ground and being serviced, handled or maintained by the Insured.
- For Advertising Liability
- For any fines, penalties or punitive or exemplary damages.
- For liability arising from noise, pollution and contamination
- For any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- For any liability arising from the use of any vehicle upon the public highway.
- Damage or loss caused directly by drifting compounds, seeds, pesticides or chemicals dropped, sprayed or emitted intentionally or otherwise in the course of crop dusting or spraying operations or any other operation from the air by use of the UAS.

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

- 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?**

We have completed this assessment using the services and remuneration information we hold on file. As a Distributor, you must consider:

- the effect on the value of the product of any additional fees that you charge an insured.
- any ancillary products sold alongside the product which may affect the product's value or duplicate cover provided with our product.

Coverdrone contact: [office@coverdrone.com](mailto:office@coverdrone.com)

Claims contact: [office@coverdrone.com](mailto:office@coverdrone.com)

Complaints contact: [complaints@starrcompanies.com](mailto:complaints@starrcompanies.com)

<b>Date Fair Value assessment completed</b>	26 April 2024
<b>Expected date of next assessment</b>	26 April 2025