



PRECISION  AUTONOMY

Frequently Asked Questions
About our drone insurance facility

About Drone Insurance

Precision Autonomy has a co-broking agreement with JKJ to provide access to its online quote and bind system for commercial drone insurance.

The drone insurance provided through this platform is a specialty product for operators and owners using drones for work or commercial purposes - allowing for multiple assets, covering flight and ground risks, War, TRIA and medical liability options.

Precision Autonomy Insurance Services LLC is not an insurance carrier. It currently works as an Agent of Old Republic Aerospace in AZ, CA, CO, FL, GA, IL, NY, NC, OH, VA, WA.

All policies and guarantees provided through the Precision Autonomy platform are negotiated with and exclusively managed by Old Republic Aerospace (ORA). All claims arising on PA drone insurance policies are managed and paid directly by ORA drones team.



Annual
Cover

Easy online
application
& management

Backed
by A+
Security



Frequently Asked Questions

How does it work?	JKJ has a co-broking agreement and a white label link to access the drone insurance products via Precision Autonomy. When you enter a quote using this link, commissions will be payable when the quote is accepted.
Can we send clients directly to the portal to enter their details for a quote?	Yes, when you use the unique link provided by Precision Autonomy, a client will simply see the quote portal, enter the relevant information and as the nominated broker, you will receive a copy of all documentation resulting from the quote.
Who needs drone insurance?	Any client operating a drone for work or commercial purposes. A drone is classified as an aircraft under Federal law and therefore generic cover provided under business policies may not respond favourably to drone related claim events. (see case study over page)
What are the advantages of an ORA drone insurance policy?	<p>You can quote and bind online within 7 minutes, insure multiple assets at once and ensure clients have drone specific liability cover.</p> <p>It's a low touch annual policy</p> <p>World wide coverage</p> <p>Basket coverage available for liability & hull. (ie if you have larger number of drones, can get coverage for all and pay for only what you're operating (15-25% saving)</p> <p>ORA provides the most comprehensive and best level cover for commercial use</p>
Are all drone operations accepted?	<p>ORA does not cover Recreational / hobby drone use.</p> <p>Standard operations will receive auto-generated quote within a few minutes of entering the quote. (80% go through automated)</p> <p>More complex operations will be assessed by the ORA team. There may be some operations which ORA will decline to insure but this is managed on a case by case basis.</p> <p>ORA will not insure for rigs that are home-made or pilots who have been convicted of an FAA violation.</p>
What does the cover include?	<p>Asset damage & liability</p> <p>Or Liability only</p> <p>TRIA & Medical Expenses included</p> <p>War cover optional</p> <p>Worldwide cover</p>
How is the rate calculated, will it be cheaper?	<p>Rates will be based on type of operations, assets, liability and claims history. ORA is a A+ Rated security and their drone insurance policy is one of the most comprehensive in the industry.</p> <p>For example Powerline inspections are a high risk and would potentially incur a higher premium.</p>



Myth- busters

<p>The manufacturer's warranty will be enough</p>	<p>Manufacturing warranties do provide replacement for defective products within a certain time frame but does not provide cover for</p> <ul style="list-style-type: none"> Damage caused by accidents Theft 'Unsuitable flight conditions' Water damage & drones lost in water Any other equipment (batteries, chargers, case, etc) Force Majeure (unforeseeable circumstances) Personal injury or property damage caused by malfunctioning drone or accidental crashes <p>An insurance policy is a legally binding contract that states specifically, that ORA will replace, repair or pay for repair of accidental loss or damage to the System.</p> <p>In a nutshell the ORA insurance policy provides a legally binding guarantee that as long as conditions are met, ORA will cover the system for accidental loss, first, flood, theft.</p>
<p>Drones and drone operations are covered by business insurances.</p>	<p>While some business insurance covers could have an option for ground and inflight cover of assets like drones, there are cases where this cover has failed.</p> <p>If the policy isn't setup correctly, the drone operator or pilot or both can be exposed. It's not safe to assume that a general policy will cover the liability and unique risk associated with drones.</p> <p>Case study in USA: Philadelphia Indemnity Insurance Co vs Hollycal Productions, Inc. et. al.2</p>
<p>There are not many drone companies to insure</p>	<p>US regulations for drone operations and licensing were changed in 2016 to reduce the barrier to entry. This has allowed more owner, operators into the market and small to mid-tier companies have deployed drones for a variety of uses from aerial photography to surveillance.</p> <p>There has been an explosion of farmers, local governments, photographers, real estate agents and construction companies using drones.</p>



About the drone market

The commercial drone market has seen substantial growth primarily due to increased adoption of its applications across various sectors, like Infrastructure, Oil and Gas, Agriculture, Mining, Media and Entertainment etc.

Drone Industry Insights, predict the drone market will grow from 22.5 billion USD in 2020 to 42.8 billion USD in 2025 at a CAGR (Compound Annual Growth Rate) of 13.8%.

The insurance of commercial drone (UAV/UAS) hull and in-flight liability; is likewise a growing market with an annual growth rate of 23% (USA regulator Federal Aviation Administration).

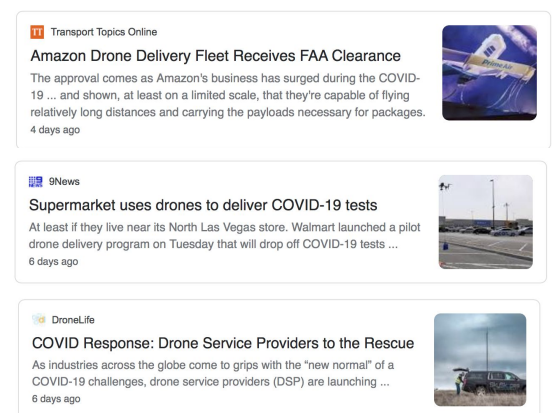
The FAA 2020 forecasts that the commercial drone fleet will be more than twice as large as the current number of commercial UAS by 2024. In 2020 there were 385,000 registered aircraft and 162,185 Remote Pilots.

The FAA predict the number of RPs may enhance even more if larger UAS are used in commercial activities and urban air mobility become a reality in the near future. Currently it predicts the UAM service that is most likely to see economic growth in the next decade is the “last mile package delivery” which could be profitable by 2030 at a price point of \$4.20 per delivery, resulting in around 500 million deliveries annually with a fleet of 40,000.

\$564 M
2020

Commercial Drone Premium Pool

CASA, FAA, CAA (regulator)
projections @65% insured
Precision Autonomy 2019 actual
average premium/policy



About Precision Autonomy



Precision Autonomy is a global InsurTech firm solving the problems of managing new and emerging autonomous services (starting with drones) that are characterized by high frequency/low premium policies. Precision Autonomy's mission is “to accelerate the world's safe adoption of autonomous services”.

Precision Autonomy will collect data from autonomous and environmental services and use the data to accurately and profitably price risk. The assessment of risk subsequently informs a pricing model for insurance.

The ability to manage, price and insure risk is key to accelerating adoption; giving a safety net to both innovators and users, and allowing for dynamic pricing (i.e. price goes up when risk factors go up) which can shape and promote safe usage.



Conclusion

The use of drones and robotic technology has increased exponentially in the past five years. Drones will also drive a great deal of the economic recovery following COVID-19. We are poised to capture that trend with our agreement with Precision Autonomy.

More information

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