DESCARTES
PRODUCT SHEET

RADAR-BASED PARAMETRIC HAIL SOLUTION

RISK COVERED	INDEX	LIMIT	AVAILABILITY	INSURED PERIOD(S)	LOCATION
Hailstorm	Diameter of the largest hailstone	Up to $100 million per contract	United States of America	Customized to client needs	Single or multi-location

RADAR-BASED HAIL PRODUCT

Descartes' parametric hail product leverages the latest scientific research to assess hail risks and create customized covers for clients, ensuring they can regain momentum after experiencing property damage or any financial loss from business interruptions. With robust radar technology, hailstorms are monitored directly, eliminating the need for on-site visits.

WHAT HAPPENS IN THE EVENT OF A HAILSTORM?

After a hailstorm, we obtain the Maximum Estimated Size of Hail (MESH) calculated by our data provider based on local radar data, along with the insured area(s) impacted by the event.

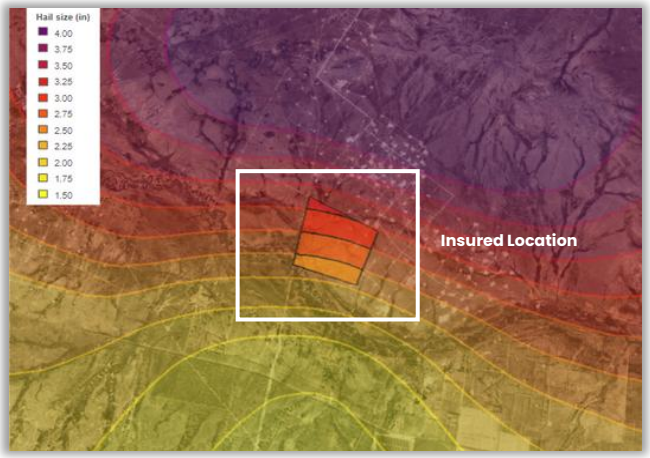
The total payout is found by multiplying the area impacted by the hail size payout percentage.

COVERED INDUSTRIES

Real Estate | Car Dealerships | Agriculture | Solar Farms | & more

QUOTE REQUIREMENTS

- Location
- Loss History
- Policy Limit



Example of damage to solar panels

PAYOUT STRUCTURE EXAMPLE

A large solar power farm was hit by a hailstorm that had different maximum hailstone sizes across the entirety of its coverage area.

Hail size (in)	Hail size payout
<2.25	0%
2.25	5%
2.5	10%
2.75	25%
3.0	50%
3.25	75%
>3.5	100%

EXAMPLE OF CALCULATION

If the location limit is $10 million and there are two impacted areas, one covering 24% of the location with a hail size of 2.5in and another covering 33% with a hail size of 3.0in, the percentage payout would be as follows:

(10% x 24%)+(50% x 33%) = 18.9% of the limit

18.9% x $10M = $1,890,000

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FAQs

RADAR-BASED PARAMETRIC HAIL SOLUTION

1 What is the data source?

We use imagery from ground-based radars that are operated by the local meteorological agency.

2 How is the hail size determined?

The Maximum Estimated Hail Size (MESH) is determined by the data provider through an automated system which integrates the imagery from the U.S. radar network, as well as surface observations and numerical weather prediction models.

3 What damages are covered?

Our parametric policy covers any economic loss sustained from a triggering event, including but not limited to property damage, business interruption, and additional expenses. There does not have to be direct physical damage to trigger coverage.

4 How does the radar detect hail?

Radars continuously scan a wide range of atmosphere surrounding the asset location. The scans detect the presence of clouds, and the characteristics of particles contained within the clouds, such as water droplets, snow, hailstones, etc. This allows for precise detection of the hailstones and their size in diameter. Post-processing techniques enable the distinction between hailstones, rain, and snow.

5 Can this be part of a multi-peril policy?

Yes, it can be partnered with any other parametric policy (e.g., tornado, cyclone, etc.).

6 How does parametric insurance help with the recapture risk of tax credits?

Investment tax credits (ITC) are subject to recapture if the property is no longer a qualified energy facility or a change in ownership occurs. Due to its flexibility in design, our parametric hail cover can address any resulting coverage gaps that project developers and lenders may be exposed to in their traditional insurance policy.

7 How does the claims process work?

Client's side:

1) The client and broker file a first loss notice of the event.
2) The client and broker inform the insurer of the loss resulting from the hailstorm.

Insurer's side:

1) The certification agent retrieves radar data from the local data provider.
2) The calculation agent informs the insurer of the hailstorm event eligibility and its corresponding loss.

After receiving the event report and declaration of loss, the client will receive a payout.

INTERESTED IN GETTING A QUOTE? PLEASE REACH OUT TO OUR COMMERCIAL TEAM!

descartesunderwriting.com/contact