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Article

Beazley and Sola Technologies Introduce Innovative Tornado Crisis Insurance in Partnership with Spinnaker

Sam Whiteley • August 31, 2023

Beazley, the leading speciality insurer, has partnered with Sola Technologies and Spinnaker Insurance Company to provide the first admitted parametric tornado disaster benefit insurance for homeowners. The innovative Tornado Crisis product leverages National Weather Service (NWS) data to automatically initiate a fast and straightforward claims process.

The new product offers early payments to help policyholders deal with the immediate impact following a tornado. The NWS will confirm the path and severity along the path, based on the EF (Enhanced Fujita) scale of a tornado, which then acts as a trigger for payments to be generated. Sola aims to pay the disaster benefit shortly after the event, compared to the extended time it often takes for traditional policies to pay out.

The policy limits of up to US$15,000, are intended to cover the deductible and immediate expenses. The coverage can supplement a comprehensive homeowners or renters policy and is currently available in 15 US states in the Midwest and Southeast, with more expected to come online soon.

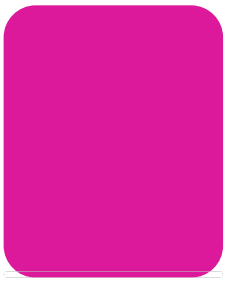
Wesley Pergament, CEO of Sola, said: "Our mission is to help people recover faster. We are building the first fully data-driven claims process to protect policyholders from the ever present risk of tornados. Sola is paving the way for a new era of insurance products that bridges the payment gaps and delays that sometimes happen with traditional insurance."

Neil Kempston, Head of Incubation Underwriting at Beazley,

commented: "Beazley is well known for its focus on ensuring clients have a seamless and stress free claims process. By applying data and technology, we believe the new Tornado Crisis Insurance product will further improve the situation for policyholders who need a fast claims payment in the aftermath of a tornado. We are pleased to be supporting this innovative new solution which can help policyholders with the immediate challenges following a tornado."

“We are excited to partner with Sola, providing capacity for their novel Tornado Crisis product, and expand our relationship with Beazley,” said Torben Ostergaard, Spinnaker’s President and CEO. “Both companies share Spinnaker’s commitment to innovation and delivering positive client experience.”

Costero Brokers, a Lloyd’s broker and specialist in innovative placements, served as the sole placing broker and was responsible for securing fronting and reinsurance capacity. James Forbes said: “The Costero team is thrilled for Sola and excited to see how their vision for insurance products that result in rapid, data driven, claim payments changes how the market provides cover for weather and climate risks.”



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About Beazley
Beazley plc (BEZ.L) is the parent company of specialist insurance businesses with operations in Europe, United States, Canada, Latin America and Asia. Beazley manages seven Lloyd’s syndicates and, in 2022, underwrote gross premiums worldwide of $5,268.7m. All Lloyd’s syndicates are rated A by A.M. Best.

Beazley’s underwriters in the United States focus on writing a range of specialist insurance products. In the admitted market, coverage is provided by Beazley Insurance Company, Inc., an A.M. Best A rated carrier licensed in all 50 states. In the surplus lines market, coverage is provided by the Beazley syndicates at Lloyd’s.
Beazley’s European insurance company, Beazley Insurance dac, is regulated by the Central Bank of Ireland and is A rated by A.M. Best and A+ by Fitch.

Beazley is a market leader in many of its chosen lines, which include professional indemnity, cyber, property, marine, reinsurance, accident and life, and political risks and contingency business.

About Sola
Sola’s mission is to help people recover faster. Through utilizing technology to immediately detect when you experience a loss, Sola will automatically finance and facilitate the recovery process. Sola offers a supplemental policy designed to assist homeowners and small businesses in covering their deductible and immediate expenses following a natural disaster.

About Costero
Costero is an independent Lloyd’s of London broker, working with clients internationally and (re)insurance markets in London, Europe, the US and Bermuda. Costero has a successful track record in developing world first insurance products for InsurTech and emerging risk clients, in

areas such as parametric insurance, unmanned aerial vehicles (UAVs) digital assets, episodic coverages and telematics driven underwriting. To learn more about products and services, please visit our Costero Brokers website.

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About Spinnaker
Spinnaker Insurance Company (Spinnaker) and its subsidiaries, Spinnaker Specialty Insurance Company, and Mainsail Insurance Company are property and casualty insurers rated A- (Excellent) by AM Best. The companies provide strategic insurance solutions to program administrators and managing general agents, access to niche markets, and offer admitted and excess and surplus lines insurance products in all 50 states and the District of Columbia. Spinnaker is a wholly-owned subsidiary of Hippo Holdings, Inc. Visit spinnakerins.com to learn more about Spinnaker.

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