

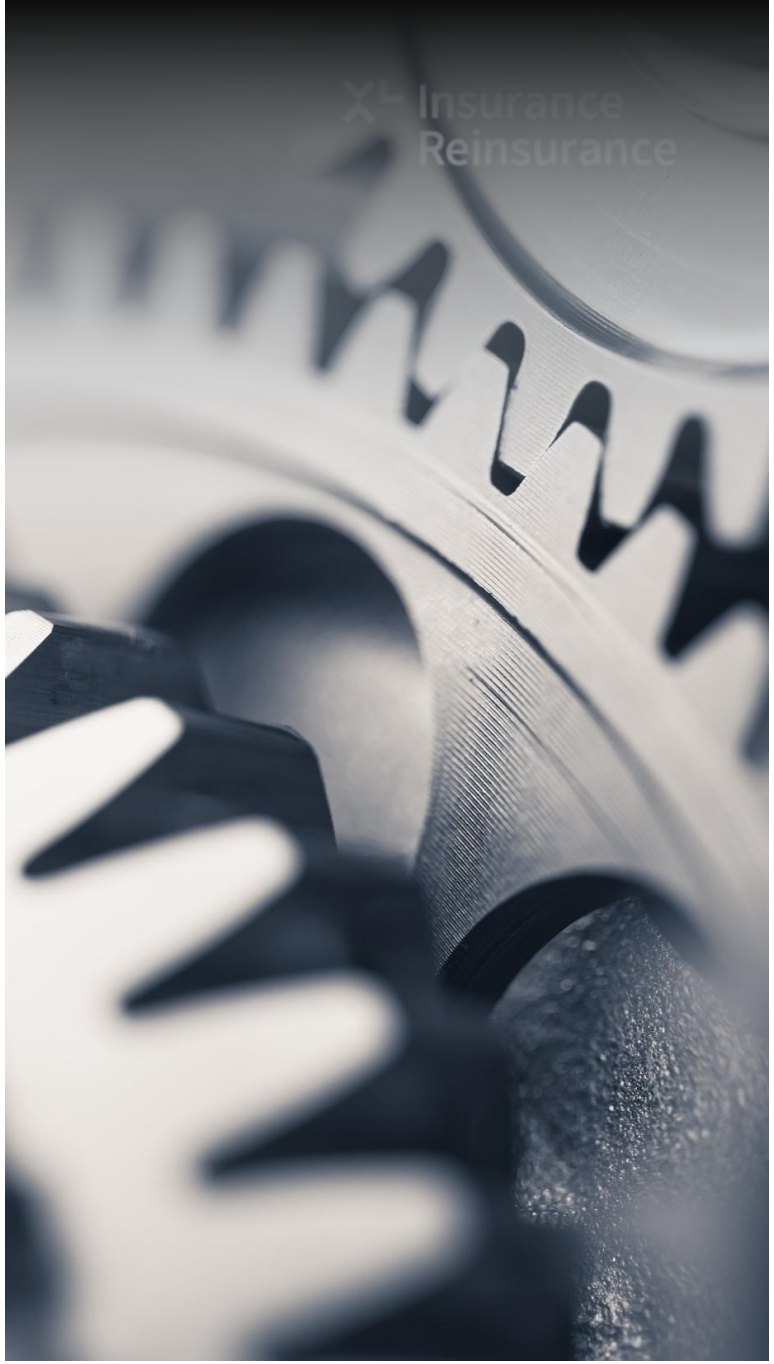
XL Insurance Reinsurance

Performance Insurance

CASE STUDIES

Case study 01

TECHNOLOGY PERFORMANCE INSURANCE – DIRECT PROJECT PROTECTION



Case study 01

Technology Performance Insurance – Direct Project Protection



Client Motivation

The client (project owner/developer) seeks insurance to protect the lenders/bondholders should technology underperform to a level that threatens debt repayment, allowing it to secure project financing or reduce the cost of borrowing

Alignment of interest between the client, lenders/bondholders and insurer

Ability of client to scale up and grow revenues is based on successful performance of the technology

Lenders/bondholders and equity holders are aligned with insurer because their financial returns are contingent upon the successful performance of the technology

Case study 01

Technology Performance Insurance – Direct Project Protection



The insured project is a facility utilizing technology to process wastes into liquid hydrocarbons and other products. The technology performance insurance helps facilitate the debt financing and reduce financing costs.

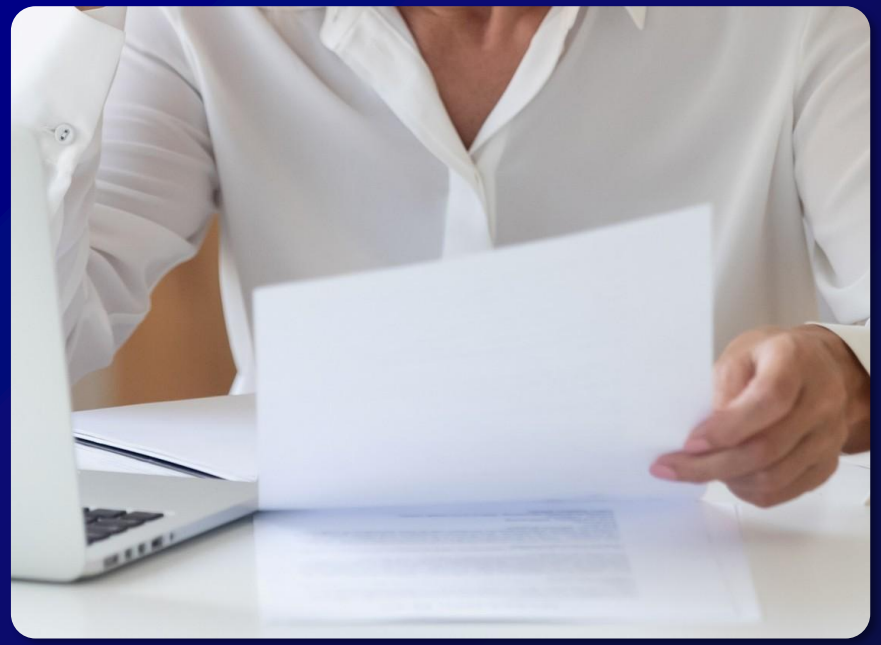
Coverage

Commissioning Period Coverage - Coverage will provide protection if the project cannot produce the expected output during the commissioning testing for technology-related reasons

Production Coverage - Coverage will provide protection if the project cannot produce the expected output on a periodic basis over several years of project operations for technology-related reasons

Case study 01

Technology Performance Insurance – Direct Project Protection



Policy Term

Commitment Date – This is when the policy is issued and effective

Commissioning Period Coverage Period – effective on mechanical completion, up to 6 months

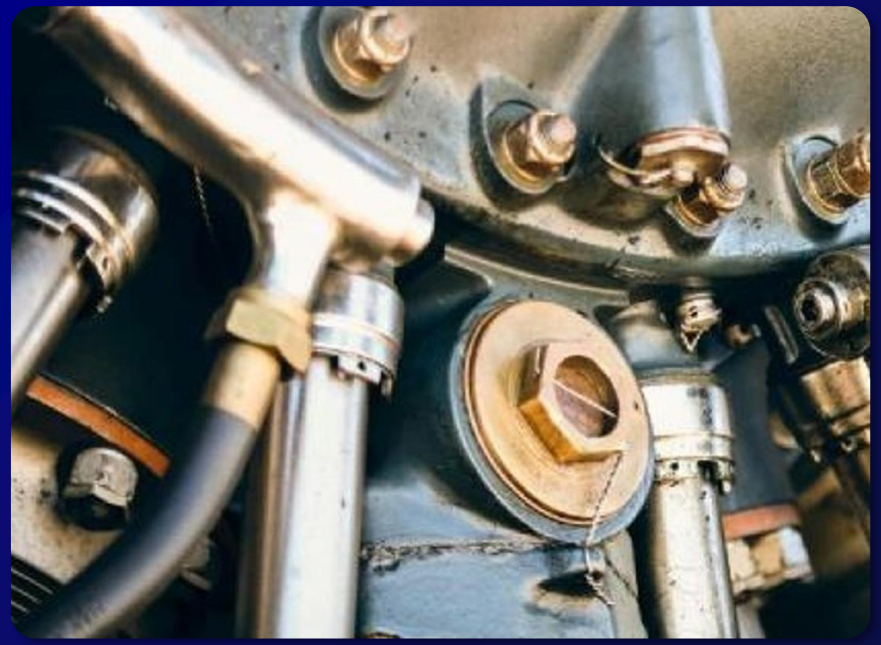
Production Coverage Period – effective after end of commissioning period, up to 5 years

Policy Limits

Up to USD 150M for the Commissioning Period, which then steps down to align with the cashflows from expected output during the Production Coverage Period

Case study 01

Technology Performance Insurance – Direct Project Protection



Loss Triggers

Failure of the project directly resulting from one of the Causes of Loss to produce expected output

Deductibles (e.g., certain project reserves) have been eroded

Typical Causes of Loss

Defective, faulty or deficient Production Process

Defective or faulty materials used in the construction or fabrication of equipment making up the Production Process

Defective, faulty or incomplete engineering or operational procedures used in the Production Process

Loss Payment

Payment linked to expected output shortfall

Payment not tied to commodity pricing risk

Insurer has a right to cure in the event of a loss

Case study 01

Technology Performance Insurance – Direct Project Protection

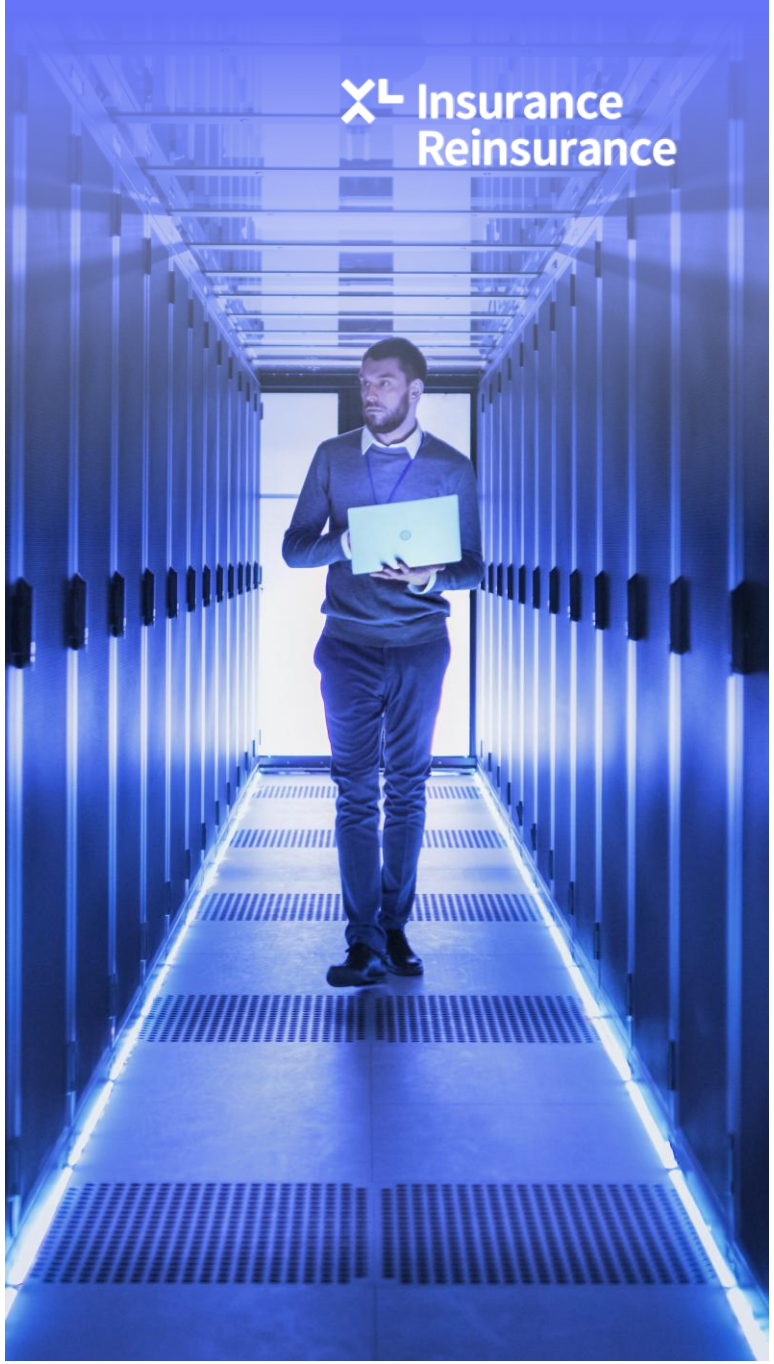


Highlighted exclusions

- Pricing risk
- Offtake risk (cancellation of offtake or non-payment)
- Feedstock risk (insufficient or improper feedstock)
- Force majeure events and property damage
- Failure to maintain the production process in accordance with the O&M agreement
- Other traditional risk exclusions (cyber, communicable disease, crime, fraud, war, terrorism, gross negligence, etc.)

Case study 02

TECHNOLOGY PERFORMANCE INSURANCE – WARRANTY BACKSTOP



Case study 02

Technology Performance Insurance – Warranty Backstop



Client Motivation

- Performance Insurance facilitates rollout of the technology and helps reduce project financing cost
- The insured client purchases equipment from the technology provider/servicer
- Technology provider/servicer provides warranty on equipment output and efficiency
- Client seeks insurance protection against technology underperformance of equipment to support operations
- Coverage under policy is triggered if the technology underperforms and technology provider/servicer fails its warranty

Case study 02

Technology Performance Insurance – Warranty Backstop



Coverage

Coverage will provide protection if covered equipment fails to provide a certain level of output or efficiency and technology provider/servicer fails to perform its warranty obligations

Policy Term

Commitment Date – This is when the policy is issued and effective

Coverage Inception – Upon successful project commissioning (typically 1-2 years from commitment date)

Coverage Period – up to 10 years from coverage inception

Policy Limits

Structured Risk Solutions can provide limits up to USD 150M per project inline with underlying project loan balance (with limits amortizing over policy term)

Case study 02

Technology Performance Insurance – Warranty Backstop



Loss Triggers

Performance event	Failure of the covered equipment resulting from one of the Causes of Loss, to meet expected output/efficiency levels	Service provider fails warranty obligations	Service provider cannot remedy the underperformance of the covered equipment

Typical Causes of Loss

Defective design	Faulty materials used in construction of the covered equipment	Faulty workmanship used in construction of the covered equipment

Loss Payment

Liquidated damages linked to the output/efficiency shortfall	Insurer has a right to cure in the event of a loss

Case study 02

Technology Performance Insurance – Warranty Backstop



Highlighted exclusions

- Output pricing risk
- Offtake risk (cancellation of offtake or non-payment)
- Feedstock risk (insufficient or improper feedstock)
- Force majeure events and property damage
- Failure to maintain the covered equipment in accordance with the O&M agreement
- Other traditional risk exclusions (cyber, communicable disease, crime, fraud, war, terrorism, gross negligence, etc.)

Get in touch



Jiten Halai
Global Chief Underwriting Officer &
Head of Structured Risk Solutions UK & Lloyd's

T +44 207 015 0904
M +44 7866 889 348
E jiten.halai@axaxl.com
linkedin.com/in/jitenhalai/



Joe Filby
Senior Underwriter,
Structured Risk Solutions

T +44 20 7933 7845
M +44 7483 588 055
E joe.filby@axaxl.com
linkedin.com/in/joseph-filby-6396ba40



Sylvain Bouteillé
Chief Underwriting Officer,
Specialty, Americas

M +1 646 584 1223
E sylvain.bouteille@axaxl.com
linkedin.com/in/sylvainbouteille/



US

The information contained herein is intended for informational purposes only. Insurance coverage in any particular case will depend upon the type of policy in effect, the terms, conditions and exclusions in any such policy, and the facts of each unique situation. No representation is made that any specific insurance coverage would apply in the circumstances outlined herein. Please refer to the individual policy forms for specific coverage details. Global Asset Protection Services, LLC and their affiliates ("AXA XL Risk Consulting") provide loss prevention and risk assessment reports and other risk consulting services, as requested. In this respect, our property loss prevention publications, services, and surveys do not address life safety or third party liability issues. This document shall not be construed as indicating the existence or availability under any policy of coverage for any particular type of loss or damage. The provision of any service does not imply that every possible hazard has been identified at a facility or that no other hazards exist. AXA XL Risk Consulting does not assume, and shall have no liability for the control, correction, continuation or modification of any existing conditions or operations. We specifically disclaim any warranty or representation that compliance with any advice or recommendation in any document or other communication will make a facility or operation safe or healthful, or put it in compliance with any standard, code, law, rule or regulation. Save where expressly agreed in writing, AXA XL Risk Consulting and its related and affiliated companies disclaim all liability for loss or damage suffered by any party arising out of or in connection with our services, including indirect or consequential loss or damage, howsoever arising. Any party who chooses to rely in any way on the contents of this document does so at their own risk. AXA XL is a division of AXA Group providing products and services through three business groups: AXA XL Insurance, AXA XL Reinsurance and AXA XL Risk Consulting. In the US, the AXA XL insurance companies are: Catlin Insurance Company, Inc., Greenwich Insurance Company, Indian Harbor Insurance Company, XL Insurance America, Inc., XL Specialty Insurance Company and T.H.E. Insurance Company. Not all of the insurers do business in all jurisdictions nor is coverage available in all jurisdictions. Information accurate as of April 2026. AXA, the AXA and XL logos are trademarks of AXA SA or its affiliates. © 2026

UK & Lloyds, APAC & Europe

The information contained herein is intended for informational purposes only. Insurance coverage in any particular case will depend upon the type of policy in effect, the terms, conditions and exclusions in any such policy, and the facts of each unique situation. No representation is made that any specific insurance coverage would apply in the circumstances outlined herein. Please refer to the individual policy forms for specific coverage details.

This summary does not constitute an offer, solicitation or advertisement in any jurisdiction, nor is it intended as a description of any products or services of AXA XL. AXA XL is a division of AXA Group providing products and services through three business groups: AXA XL Insurance, AXA XL Reinsurance and AXA XL Risk Consulting. Information accurate as of January 2026

The AXA, AXA XL, AXA XL Insurance, AXA XL Reinsurance and AXA XL Risk Consulting trademarks and logos are registered trademarks of AXA SA. © 2026