

Autonomous Vehicle Insurance and Risk Management

To the Members of the Transportation and Public Safety Committee,

Good morning, thank you for inviting me to speak today. I'm Kelsey Brunette, an ideation analyst with Munich Reinsurance America currently working as a member of an innovation team focused on the future of Mobility. The dramatic lifestyle changes autonomous vehicles will bring is of considerable importance to Munich Re, and we appreciate the opportunity to share our autonomous vehicle underwriting experience with you.

Safety is Munich Re's primary concern -- however, we do not feel that insurance should be a barrier to the implementation of autonomous vehicles. Our Mobility operations focus on improving road safety through technology, including ADAS and advanced collision avoidance systems. Autonomous vehicles present a technology that could dramatically improve road safety, and our organization has become more involved with the autonomous vehicle ecosystem by providing insurance coverage to companies who are testing these vehicles, resulting in our significant insight into the current and future performance of the technology.

Currently, our organization insures Level 4 vehicles being tested across the country. Through underwriting these vehicles, we have seen various approaches to developing this technology and different strategic placement within the autonomous vehicle ecosystem. Regardless of the positioning or technology approach, we require certain safety precautions for underwriting and encourage clients to operate within specified risk guidelines. As the maturity of the technology develops, we will continue to develop and implement risk mitigation frameworks for autonomous vehicles to encourage safe deployment and operations.

Testing and risk mitigation should be a fundamental aspect of the deployment of autonomous vehicles. As an insurer involved in underwriting these risks, we are working with experts to better understand autonomous vehicles and create solutions for mitigation, testing, and deployment. Although the autonomous vehicle data we currently have is limited, we are in the process of collecting additional data, learning from it, and working to develop methods to quantify the risks associated with these vehicles.

The availability of insurance is crucial to fostering the deployment of innovative solutions in the automotive industry and beyond. Insurance emboldens new corporations to progress into untested sectors, comforts regulators as to the safety of their constituents, and facilitates early adoption of technology. Munich Re is highly engaged in the evolving Mobility marketplace and looks forward to partnering with regulatory bodies and appropriate industries to craft risk management policies and solutions for this potentially life-saving technology.

Thank you for your attention,

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