



COVER GENIUS

Cancel For Any Reason

**Business Model Analysis of an Embedded Insurance Innovation
by Cover Genius**

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Agenda

- 01 CFAR Concept

- 02 Business Model Analysis

- 03 Innovation Assessment

- 04 CFAR vs. Traditional Insurance

- 05 SWOT Analysis

- 06 Conclusion & Q&A

Cover Genius manages the CFAR process, while insurers carry the risk



What is it?

CFAR is an embedded refund protection at ticket checkout that is offered to customers as an optional add-on at ticket purchase.



What is the customer proposition?

CFAR gives customers full flexibility to cancel their ticket at any time, without any justification, and receive a fast refund payout.



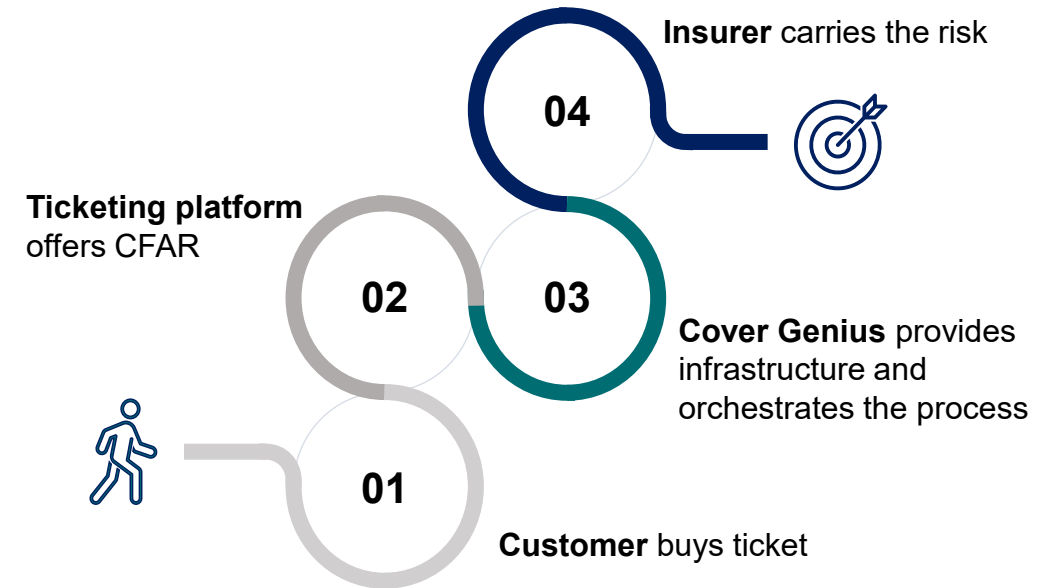
Why does it matter?

CFAR delivers a simple and seamless customer experience by integrating invisibly into the ticket purchase journey at checkout.



How does it work?

Customer gets proposed CFAR in check out process offered by Cover Genius and carried by an insurer.



Cover Genius CFAR – business model analysis



Customers

- Ticketing platforms
- Global event-goers
- Risk carriers / reinsurers



Value propositions

- Embedded refund protection
- Instant payout
- Easy checkout add-on



Key resources

- Xcover platform
- Licences in 60+ countries and 50 US states



Revenue logic

- Premium share
- Platform fees
- BrightWrite optimisation

Core logic

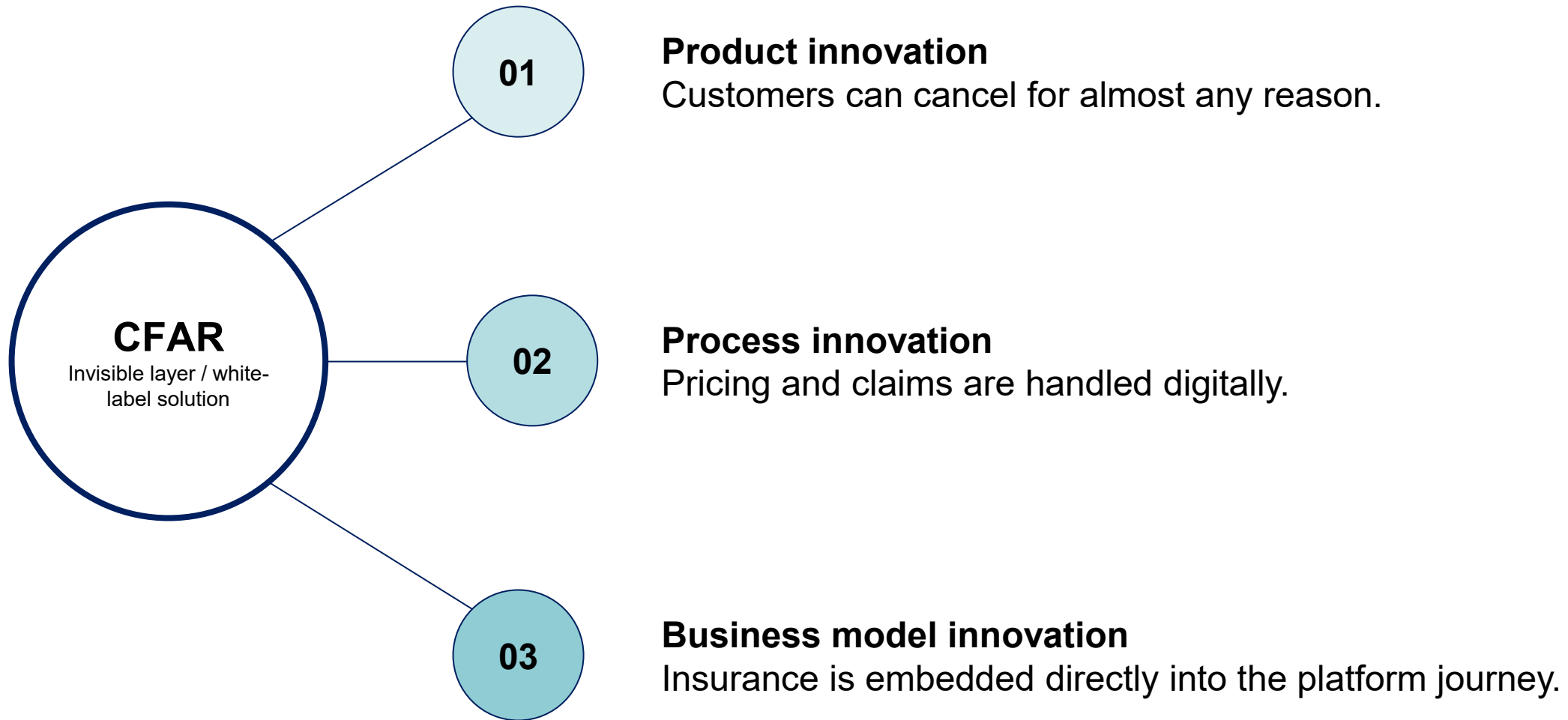


B2B2C model:
the platform owns the customer relationship

Invisible layer:
Cover Genius operates behind the checkout

Risk transfer:
the insurer carries the underwriting risk

Why CFAR is innovative



Why CFAR feels different

	Traditional insurance	Cover Genius / CFAR
<i>Product</i>	Many exclusions	Broader cancellation coverage
<i>Claims</i>	Slower claims process	Fast digital payout
<i>Pricing</i>	Standard annual pricing	More dynamic pricing
<i>Customer journey</i>	Separate purchase	Embedded in the checkout



CORE RISK: Correlated CFAR claims

Pandemic, war or climate-shock scenarios can challenge the independence principle of classical insurance.

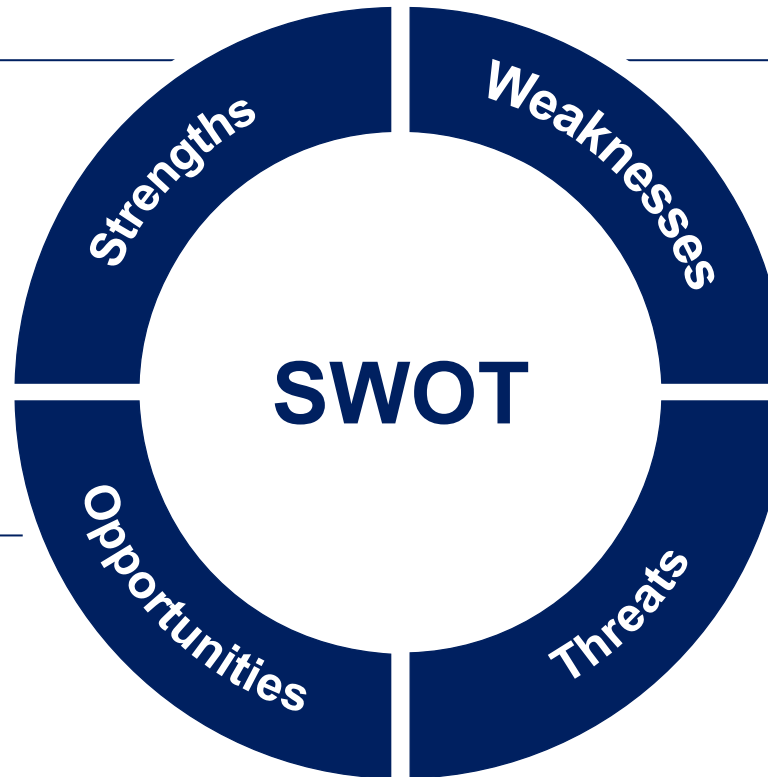
SWOT analysis

Strengths

- Global licensing network: 60+ countries and 50 US states — licensing moat
- Three-platform stack: XCover + XClaim + BrightWrite
- 107% YoY growth, 145% NRR (2023)¹

Opportunities

- Embedded insurance market growth²
- Demand for flexible refunds³
- Improved underwriting data from 2026⁴



Weaknesses

- Depends on platform partners
- Correlated mass claims during shock events
- Limited public transparency

Threats

- Regulatory uncertainty may increase⁵
- Competitors: Allianz Partners, Chubb, Bolttech⁶
- Platform internalisation risk

¹Cover Genius (2024) ²Mordor Intelligence (2026); Research and Markets (2025) ³Cover Genius (o. J.) ⁴European Commission (2023); EIOPA (2026) ⁵EIOPA Risk Dashboard (April 2026) ⁶Mordor Intelligence (2026)

Conclusion

Platform internalisation

Breaking point 1

- If commission volume exceeds ~50%, platforms may build the solution in-house
- Plausible for Booking Holdings or SeatGeek before 2030¹
- Defence: deeper integration or diversification into mobility, logistics, and fintech

First real CFAR stress test

Breaking point 2

- New pandemic, conflict, or climate-shock scenario²
- Captive structures (BrightWrite, Asservo) — limited information available for external analysis
- Central concern for investors in any IPO scenario³



Overall verdict

- strong business model innovation with clear strategic risks.
- Cover Genius is well positioned today, but long-term value depends on resilience and partner retention.

¹Mordor Intelligence (2026); analyst view ²Swiss Re SONAR (2025) ³EY Global Insurance Outlook (2026)

Q&A

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