

UNMANNED AIRCRAFT SYSTEMS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we,” “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **E. Definitions**.

SCHEDULE

DESCRIPTION OF COMPONENT PARTS OF THE SYSTEM Include year, make, model, and serial number of the “unmanned aircraft system”	INSURED VALUE
TOTAL VALUE OF UNMANNED AIRCRAFT SYSTEM	

A. Coverage

1. Covered Property

We will pay for direct physical loss of or damage from sudden and accidental causes, including operator error to an “unmanned aircraft system” described in the Schedule above. This coverage applies only if the “unmanned aircraft system” sustains loss while:

- a. used in “precision operations”;
- b. operated in accordance with applicable Federal Aviation Administration guidelines; and
- c. operated five or more miles from the property line of any airport available for public use.

All of these requirements must be met for coverage to be provided.

2. Covered Causes of Loss

Covered Causes of Loss means Direct Physical Loss Or Damage to Covered Property except those causes of loss listed in the Exclusions.

3. Additional Coverages

- a. **Virus, Harmful Code Or Similar Instruction**

- (1) Under this Additional Coverage, electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- (2) Subject to the provisions of this Additional Coverage:
 - (a) We will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a virus, harmful code or similar instruction; and
 - (b) You may extend insurance that applies to Business Income coverage, if applicable, to apply to a suspension of "precision operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
- (3) To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (4) With respect to Business Income coverage, if applicable, this **Additional Coverage—Virus, Harmful Code Or Similar Instruction** does not apply to loss sustained after the end of the "period of restoration," even if the amount of insurance applicable in para-graph (5) below has not been exhausted.
- (5) Unless a higher Limit Of Insurance for this coverage is shown in the Declarations, the most we will pay under this **Additional Coverage—Virus, Harmful Code Or Similar Instruction** is \$5,000 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all

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loss or damage is deemed to be sustained in the policy year in which the occurrence began.

The \$5,000 (or higher) Limit of Insurance applies separately to direct physical loss or damage and to Business Income loss, if applicable.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken during a fire to prevent its spread if the fire would be covered under this Coverage Form.

b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

c. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Exclusions **B.1.a.** through **B.1.c.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Repair, adjusting, servicing, maintenance or lack of repairing, adjusting, servicing, or maintenance unless fire or explosion ensues. If fire or explosion ensues, we will cover loss or damage only to the extent caused by such fire or explosion;
- b. Virus, harmful code or similar instruction introduced into or enacted on a computer system (including "data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.

This exclusion applies except to the extent coverage is provided under Additional Coverage **A.3.a. Virus, Harmful Code Or Similar Instruction.**

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- c. Any quality in the property that causes it to damage or destroy itself, including hidden or latent defect or gradual deterioration.
- d. Insects or animals.
- e. Mysterious disappearance of the “unmanned aircraft system.”
- f. Theft of the “unmanned aircraft system” unless there is physical evidence that a theft occurred.
- g. Programming errors.
- h. Incorrect instructions.
- i. Delay, loss of use, loss of market or any other consequential loss.
- j. Dishonest or criminal act (including theft) committed by:
 - (1) You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;
 - (2) A manager or a member if you are a limited liability company; or
 - (3) Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

- k. Wear and tear, depreciation.
 - l. Corrosion, rust.
 - m. Mechanical breakdown or failure of the Covered Property.
3. We will not pay for loss or damage arising while the “unmanned aircraft system” is rented or leased to others.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Schedule above.

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

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E. Definitions

1. "Unmanned aircraft system" means the "unmanned aircraft," and all of the associated support equipment, control station, data links, telemetry, communications and navigation equipment, etc., necessary to operate the "unmanned aircraft." Desktop or laptop computers and cellular phones are not considered support equipment.
2. "Unmanned aircraft" means the flying portion of the system, either fixed-wing or rotary-wing and flown by a ground control system, or autonomously through the use of an on-board computer, communication links, and any additional equipment that is necessary for the "unmanned aircraft" to operate safely. An "unmanned aircraft" must be incapable of carrying humans, animals, or cargo exceeding twenty (20) pounds, and solely used in "precision operations." Cargo does not mean a camera attached to the "unmanned aircraft" used for "precision operations." Maximum speed of the "unmanned aircraft" must be less than seventy (70) miles per hour.
3. "Precision operations" means aerial imaging, data acquisition, and surveying. Imaging includes photographic, video, and infrared images.
4. "Data" means:
 - a. Data stored on "media"; and
 - b. Programming records used for electronic data processing or electronically controlled equipment.
5. "Media" means electronic data processing, recording or storage media such as software, films, tapes, discs, drums or cells.
6. "Period of restoration" means the period of time that:
 - a. Begins with the date of loss caused by or resulting from a Covered Cause of Loss at a covered location; and
 - b. Ends on the date when the property at the covered location should be repaired, rebuilt or replaced with reasonable speed and similar quality.