

General Definitions

activities covered

Business, and/or **commercial** activities as specified in the **schedule**, and **continuation flying**.

annual aggregate

The total amount the **insurer** will pay as claims under this **policy** in the **period of insurance**. If the **policy period** exceeds one year, the annual aggregate will be increased proportionately in the ratio that the period in excess of the **period of insurance** bears to the **period of insurance**. The same method will be conversely applied for any period of insurance of less than a year.

bodily injury

Physical injury, including death resulting therefrom, but excluding nervous shock or psychological injury unless accompanied by and directly caused by such physical injury to the same individual.

business

Your use of the **UAS** in the usual course of **your** work and/or work duties.

commencement of the operation of fitting it to

From the moment the property ceases to be in contact with the ground or the trolley/stand on which it is located when the process of fitting it to the **UAS** is commenced.

commercial

Your use of the **UAS** for the benefit of third parties, in exchange for remuneration, as identified in the information supplied to the **insurer** when applying for this insurance.

computer virus

Programming code or series of instructions designed to achieve an unexpected, unauthorised, undesirable effect or operation when loaded onto a **system** or **ground control station**, transmitted via networks, extranets, internets or electronic mail or attachments thereto.

continuation flying

Your use of the **UAS** outside the course of your **business**, for the purpose of maintaining your skill and proficiency of operation on the **UAS** as stated on the **Schedule** or whilst participating in or on a **UAS** training course/school/academy.

deductible

The amount that is to be paid by **you** and is deducted from each claim. If a claim is less than the amount of the deductible then you will bear all of the claim.

detachable payloads

Photographic/video equipment carried by the **UAS** that is removable and/or interchangeable from the **UAS**.

endorsement

Any special terms and conditions added to this **policy**.

flight

Occurs from the time the **UAS** is switched on, attempts to take off, whilst in the air, and until the **UAS** completes its landing and is powered down.

force majeure

Unusual and unforeseeable circumstances beyond **your** control, the consequences of which could not have been avoided.

ground control station

An interface which can be used to control/monitor single/multiple **UAS** flights during **flight**. The interface may also provide effective control of both **detachable payloads/non-detachable payloads**, potentially allowing data collated whilst in flight to be monitored.

home-built UAS/spares:

A **UAS** and its constituent spares (if applicable) that is both designed and constructed by the **insured** or **UAS operator** or affiliated person.

insurance broker

The party named in the **schedule** who acts as your agent.

insured/you/your

The party named in the **schedule**.

insured value

The market value of the **UAS** as determined by the insurer (inclusive of detachable payloads, and non-detachable payloads, where applicable) at the date of the loss or damage giving rise to a claim, taking into account all material aspects including age, wear and tear, and service history.

insurer

Certain Syndicates at Lloyd's of London.

invasion of privacy

Data collected from the **UAS** whilst in flight and subsequently made available to third parties without the consent of the party to whom the data relates, including any breach of confidentiality, infringement, or violation of any right to privacy, or of any statutes, laws and regulations associated with the confidentiality, access, control, and use of personally identifiable, non-public information.

noise liability

Claims arising from the operation of the **UAS** whilst in flight, for the activities covered in the **schedule** following an official noise complaint lodged by a national/state/municipal authority.

non-detachable payloads

Photographic/video equipment carried by the **UAS** that forms an integral part of the **UAS** and is not intended to be removed from the **UAS**.

occurrence

An accident or a continued or repeated exposure to conditions occurring during the **period of insurance** which is neither expected nor intended from your standpoint. All liability arising out of such exposure to substantially the same general conditions shall be deemed to arise out of one occurrence.

overhaul cost

The costs of labour and materials which are or would be incurred in the overhaul or replacement (as necessary) at the end of the **overhaul life** of the damaged or similar **unit**.

overhaul life

The amount of use, or operational and/or calendar time which, according to the manufacturer of the **UAS** and evidenced to the **insured**, determines when overhaul or replacement of a **unit** is required.

period of insurance

The length of time for which this **policy** is in force, from the start date until the expiry date, as shown in the **schedule** and for which **you** have agreed to pay a premium.

policy

This document, the schedule and any endorsements attached or attaching to this document and/or schedule.

property damage

Physical loss of or damage to or destruction of tangible property only.

ROC/LRA

ROC = Remote Aerial Operator Certificate
LRA = Remote Pilot Aircraft Letter of Approval
As defined in SA CAA Part 101

section(s)

Part(s) of the **policy** that detail(s) the insurance cover provided.

schedule

The part of this **policy** setting out information provided to the **insurer** that shows the insurance coverage and includes the **schedule of UAS**.

schedule of UAS

The **UAS** covered by this **policy** and itemised in the **schedule**.

sub-limit(s)

A financial limitation in this **policy** on the amount of coverage available to cover a specific type of loss. A sub-limit is part of, rather than in addition to, the limit that would otherwise apply to that loss.

system

Computers, other computing and electronic equipment linked to a computer, hardware, or electronic data processing equipment owned or leased by the **insured**, not inclusive of the **ground control station**.

tethered aerostats

A balloon, deriving its lift from the buoyancy of surrounding air, and connected to the ground at all times by a cable.

total loss

Physical damage to the **UAS** where in the reasonable opinion of the **insurer**:

- (a) the **UAS** is damaged to such an extent that it cannot economically be repaired;
- (b) the cost of repairing the **UAS** is estimated to exceed the **insured value** as shown in the **schedule**; or
- (c) the **UAS** cannot be located 14 days after:
 - (i) the commencement of **flight** and arising from the **activities covered**; or
 - (ii) the date on which the theft was reported to the **insurer**.

transit

The carrying of the **UAS** and/or **non-detachable payloads** and/or spares from one location to another whilst packed in accordance with the relevant manufacturers' guidelines or in a securely locked and padded **UAS** flight case.

UAS

An aircraft owned or utilised under the care, custody, possession or control of the **insured** which is operated remotely without any on-board pilot, for which **you** are legally responsible, including **tethered aerostats** but excluding kites.

UAS operator

The person who at all times directly manipulates the flight controls of the **UAS** and exercises direct authority over the initiation, continuation, diversion or termination of the **UAS** flight, excluding employed observers of the **insured**.

UAS spares

All equipment owned by the **insured** and designed to be fitted to or forming part of the **UAS** and ancillary equipment exclusively associated with the **activities covered**, including the **ground control station** and **detachable payload**, excluding at the time at which **commencement of the operation of fitting it to the UAS** begins.

unit

A part or an assembly of parts (including any sub-assemblies) of the **UAS** which has been assigned an **overhaul life** as a part or an assembly.

vicariously liable

The liability of one person for the acts or omissions of another.

General interpretation

- (a) The singular includes the plural and vice versa, and the masculine includes the feminine and neutral;
- (b) "Including" and "include(s)" mean without limitation;
- (c) Any obligation or payment owed by the **insurer** shall in every case be subject to the Limits of Liability specified in the Schedule;
- (d) Any reference to legislation includes any similar or related law, ordinance or regulation, any amendments, and any rules or regulations or executive orders promulgated thereunder, or by Federal, state, local or other agencies or similar bodies thereof;
- (e) The descriptions in the headings and subheadings of this **policy** are solely for convenience and form no part of the terms and conditions of coverage; and
- (f) All or part of any provision of this **policy** which is or becomes void or illegal, invalid or unenforceable by a court or other competent body under the law of any applicable jurisdiction shall be deleted. The parties shall use their best efforts to agree a replacement for the provision deleted which achieves as far as possible the same effect as would have been achieved by the deleted provision had it remained enforceable.

Section 1 Physical loss of or damage to UAS (inclusive of detachable and non-detachable payloads)

Coverage

The **insurer** will pay for physical loss of or damage to the **UAS** (inclusive of detachable and non-detachable payloads), inclusive of theft, occurring during the **period of insurance** and arising from the **activities covered**, whilst in flight, on the ground or in **transit** up to the **insured value**, less any applicable **deductible**.

Exclusions applicable to this section

This **section** does not apply to:

- 1 the cost of making good wear and tear, deterioration, breakdown, defect or failure however caused in any **unit** of the **UAS** and the consequential damage to the **UAS** thereafter
- 2 damage to any **unit** of the **UAS** and the consequential damage to the **UAS** thereafter, by anything which has a progressive or cumulative effect, except when such damage is attributable to a single incident which is covered under this **section**.
- 3 damage caused by rot, fungus, mould, vermin, or infestation.
- 4 dryness or humidity, or exposure to light or extreme temperatures, unless this results from high winds of destructive nature, rainstorm, hailstorm or snowstorm or fire.
- 5 theft or attempted theft of the **UAS**:
 - (a) by **you** or with **your** knowledge or consent; or
 - (b) by others. However, theft by others involving violent or forcible entry to or exit from a building, shipping container, gated compound secured with a closed shackle padlock, or locked boot, trailer, roof box or locked compartment of a motor vehicle, is covered under this **section** provided all security measures on the motor vehicle, trailer or roof box are in force at the time of the theft or attempted theft and the **UAS** is kept out of sight at all times.
- 6 loss or damage occurring whilst the **UAS** is being used for any illegal activity or for any activity other than those as specified in the **schedule**.
- 7 loss or damage occurring while the **UAS** is in breach of the geographical limits as specified in general exclusion 10, unless such breach is due to **force majeure**.
- 8 loss or damage occurring whilst the **UAS** is not packed in accordance with manufacturer guidelines or in a securely locked and padded **UAS** flight case.
- 9 loss or damage occurring whilst the **UAS** is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the **UAS**, unless due to **force majeure**.
- 10 the **UAS** while being cleaned, repaired, inspected, worked on or maintained by a third party for whose acts or omissions the **insured** is not vicariously or otherwise responsible or liable.
- 11 scratching/fogging/misting of camera lenses and/or mechanical derangement of camera equipment unless the **UAS** suffers damage at the same time, arising from the **activities covered**.
- 12 any **computer virus**. However this exclusion shall not apply to the cover provided by the Cyber Loss of Digital Assets Extension, Extension 4.
- 13 any indirect losses which result from the **occurrence** which caused **you** to claim under this **section** and which includes any loss of use or expense incurred through **your** inability to operate the **UAS** following damage.

Conditions applicable to this Section

- 1 Dismantling, Transport and Repairs

If the **UAS** is damaged:

- (a) no dismantling or repairs shall be commenced without the consent of the **insurer** except whatever is necessary in the interests of safety, or to prevent further damage, or to comply with orders issued by the appropriate authority;
- (b) the **insurer** will pay only for repairs and transport of labour and materials by the most economical method unless the **insurer** agrees otherwise with **you**.

- 2 Partial Loss

If the **insurer** settles a claim other than on the basis of a **total loss** they will pay the cost of repairing the **UAS** less:

- (a) any applicable **deductible** and/or
- (b) an amount for wear and tear of any unit. This will be calculated as the proportion of the **overhaul cost** of any unit repaired or replaced as the used time bears to the **overhaul life** of the **unit**.

- 3 Total Loss

If the **insurer** settles a claim on the basis of a **total loss** they will pay the **insured value** of the **UAS** as shown in the **schedule** less any applicable **deductible**.

- 4 Salvage

If the **insurer** settles a claim on the basis of a **total loss**, the respective **UAS** will no longer be insured under this **policy**, and the **insurer** may take the **UAS** together with all documents of record, registration and title as salvage.

- 5 Right of Ownership

Unless the **insurer** agrees in writing to take the **UAS** as salvage the **UAS** shall at all times remain as **your** property and **you** shall have no right of abandonment to the **insurer**.

Section 2 Physical loss of or damage to UAS spares

The **insurer** will pay **you** for physical loss of or damage to **UAS spares**, inclusive of theft, during the **period of insurance**, being **your** property or the property of others for which **you** are responsible, whilst such property is in **your** care, possession, custody or control on the ground, or whilst in **transit** by any conveyance, up to the limit as shown in the **schedule**, less any applicable **deductible**.

Exclusions applicable to this Section

This section does not apply to:

- 1 loss of or damage to **UAS spares** occurring at any time after the **commencement of the operation of fitting it to** or placing it on board the **UAS** to which it is destined;
- 2 loss of or damage to an engine occurring during the running or testing thereof;
- 3 loss or damage caused by mechanical or electrical derangement;
- 4 loss or damage caused by wear, tear or gradual deterioration;
- 5 loss or damage caused by or resulting from **your** neglect to use reasonable means to save and preserve the **UAS spares** at the time of and after any loss or damage;
- 6 damage caused by rot, fungus, mould, vermin, or infestation.
- 7 dryness or humidity, or exposure to light or extreme temperatures, unless this results from high winds of destructive nature, rainstorm, hailstorm or snowstorm or fire.
- 8 theft or attempted theft of the **UAS spares**:
 - (a) by you or with your knowledge or consent; or
 - (b) by others. However, theft by others involving violent or forcible entry to or exit from a building, shipping container, gated compound secured with a closed shackle padlock, or locked boot, trailer, roof box or locked compartment of a motor vehicle, is covered under this section provided all security measures on the motor vehicle, trailer or roof box are in force at the time of the theft or attempted theft and UAS spares are kept out of sight at all times.
- 9 loss of or damage to any UAS spares while being cleaned, repaired, inspected, worked on or maintained by a third party for whose acts or omissions the insured is not vicariously or otherwise responsible or liable.
- 10 unexplained loss or disappearance or inventory shortage of UAS spares; or
- 11 loss or damage occurring whilst the UAS is not packed in accordance with its manufacturer guidelines or in a securely locked and padded UAS flight case.

Conditions applicable to this Section

- 1 You shall keep a proper record of all items of UAS spares from time to time insured under this section and of the value of each item.
- 2 Unless the insurer elects to take the UAS spares as salvage the UAS spares shall at all times remain as your property and you shall have no right of abandonment to the insurer.
- 3 All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this section shall be applied as if recovered or received prior to that settlement and all necessary adjustments shall be made by the parties thereto

Section 3 Legal liability to third parties

Coverage

The **insurer** will pay to or on behalf of **you** all sums for which **you** shall become legally liable to pay, and shall pay, as compensatory damages for:

(1) **bodily injury** and/or **property damage** to third parties;

(2) **invasion of privacy**;

(3) **noise liability**;

caused by an **occurrence** arising out of the use of the **UAS** during and as part of the **activities covered** subject to the applicable limits or **sub-limits** as shown in the **schedule**, less any applicable **deductible**.

This includes a claim against any sub-contractor, outsourcer, employee or volunteer worker of **you** when they are acting on your behalf and for whom **you** are **vicariously liable**.

(4) **Third Party War Liability**;

Coverage (1) of this **section 3** is extended to cover claims arising from perils (a) to (f) below;

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Strikes, riots, civil commotions or labour disturbances.
- (c) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (d) Any malicious act or act of sabotage.
- (e) Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- (f) Hi-jacking or any unlawful seizure or wrongful exercise of control of the UAS in Flight (including any attempt at such seizure or control) of the UAS acting without the consent of the Insured.

The limit of the **insurer's** liability in respect of perils (4) (a) through (f) above shall be the applicable **policy** limit for (1) above as specified in the **schedule**, any one **occurrence** and in the **annual aggregate**. This limit is part of, and not in addition to, the **policy** limit.

(a) Automatic Termination

The cover provided under (4) above shall terminate automatically in the following circumstances:

- (i) Upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following States, namely, France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America;
- (ii) Upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur and whether or not the insured **UAS** may be involved; or
- (iii) The insured **UAS** is requisitioned for either title or use upon such requisition.

Provided that if an insured **UAS** is in the air when (i), (ii) or (iii) occurs, then the cover provided by (4) above (unless otherwise cancelled, terminated or suspended) shall continue in respect of such **UAS** until completion of its first landing thereafter.

In respect of (4);

Insurers may give notice to review premium and/or geographical limits – such notice to become effective on the expiry of seven days from 23:59 hours GMT on the day on which notice is given.

Following a hostile detonation as specified in (ii) above, the **insurer** may give notice of cancellation such notice to become effective on the expiry of forty-eight hours from 23:59 hours GMT on the day on which notice is given.

(b) Cancellation (7 days)

The cover provided by this **section** may be cancelled by either the **insurer** or the **insured** giving notice to become effective on the expiry of seven days from 23:59 hours GMT on the day on which such notice is given.

(c) Notices

All notices shall be in writing.

Exclusions applicable to this Section

This section does not apply to:

- 1 **bodily injury** or **property damage** sustained by any of **your** directors, employees or partners in **your business** whilst acting in the course of their employment or duties for **you**.
- 2 loss of or damage to property owned, rented, leased or occupied by, or whilst in the care, custody or control of, or whilst being handled, serviced or maintained by the **insured** or any servant of the **insured**.

- 3 **bodily injury** or **property damage** occurring whilst the **UAS** is being used for any illegal activity or for any activity other than those as specified in the **schedule**.
- 4 **bodily injury** or **property damage** occurring whilst the **UAS** is in breach of the geographical limits as specified in general exclusion 10, unless such breach is due to **force majeure**.
- 5 **bodily injury** or **property damage** occurring whilst the **UAS** is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the **UAS**, unless such non-compliance is due to **force majeure**.
- 6 liability assumed by **you** by agreement under any contract unless such liability would have attached to **you** in the absence of such agreement.
- 7 any claims caused by:
 - (a) pollution and contamination;
 - (b) electrical and electromagnetic interference;
 - (c) **UAS** unless arising from the **activities covered**.
- 8 transmission of a **computer virus**;
- 9 **bodily injury** or **property damage** caused by any mechanically propelled vehicle which the **insured** may cause or permit any other person to use on the road in such a manner as to render them responsible for insurance under any domestic or international law appertaining to road traffic, or where no such law exists, whilst such vehicle is on any public highway;
- 10 **bodily injury** or **property damage** arising out of any airmeet, air race, or air show, nor any stand used for the accommodation of spectators in connection therewith, unless previously agreed by **insurers**;
- 11 **bodily injury** or **property damage** arising out of construction of, demolition of or alterations to buildings, runways, or installations by the **insured** or his contractors or sub-contractors (other than normal maintenance operations) unless previously agreed by **insurers**;
- 12 **bodily injury** or **property damage** arising out of any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied, or distributed by the **insured** or his employees after such goods or products have ceased to be in the possession or under the control of the **insured**;
- 13 liability for **bodily injury** to any person, who at the time of sustaining such injury is engaged in the service of the **insured** or acting on his behalf, or liability for which the **insured** or his insurer may be held liable under any workmans' compensation, unemployment compensation or disability benefits law or any similar law;
- 14 the cost of making good any faulty workmanship for which the **insured**, his employees, contractors or subcontractors may be liable (but this limitation shall not exclude resulting damage arising out of such faulty workmanship);
- 15 liability arising out of the operation of an airfield control tower unless previously agreed by the **insurer**.

Condition applicable to this Section

If there is more than one **insured** covered under this **section**, whether by **endorsement** or otherwise, the total liability of the **insurer** in respect of any or all **insureds** shall not exceed the applicable limit as specified in the **schedule**.

General Exclusions

The following exclusions apply to this **policy** in addition to specific exclusions as contained in each **section**.

This **policy** does not apply to:

- 1 (a) any sort of nuclear material, nuclear reaction, nuclear radiation or radioactive contamination;
(b) any products or services which include, involve or relate in any way to anything in (a) above, or the storage, handling or disposal of anything in (a) above;
(c) all operations carried out on any site or premises on which anything in (a) or (b) above is located.
- 2 (a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power;
(b) any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
(c) any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional; or
(d) confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or otherwise) or public or local authority.

Furthermore this **policy** does not cover claims arising whilst the **UAS** is outside of **your** control by reason of any of the above perils. The **UAS** shall be deemed to have been restored to **your** control on the safe return of the **UAS** to **you** at a destination/location not excluded by the geographical limits of this **policy**, and entirely suitable for the operation of the **UAS**.

- 3 any failure by any equipment (including any hardware or software) to correctly recognise any given date or to process any data or to operate properly due to any failure to correctly recognise any given date.
- 4 any **UAS** which is not in use as part of the **activities covered**. Including at air shows or participating in air racing events/meets
- 5 loss of use of the **UAS/UAS** spares or interruption of **your business** (including any loss of income or of contract) arising from the physical loss and/or destruction of **UAS/UAS** spares or third party bodily injury and/or property damage covered under section 1,2 or 3, or extension 1, of this **policy**.
- 6 claims arising from the **insured** failing to take all reasonable care/measures to protect the **UAS** and to maintain/operate it in good and proper condition in accordance with the relevant manufacturers' guidelines.

7 in respect of transit coverage under **sections 1** and 2;

- (a) the cost of making good wear and tear, gradual deterioration, inherent defect, rust or oxidation, moth or vermin damage, warping or shrinkage;
- (b) loss or damage caused by or resulting from:
 - (i) maintenance, repair, renovation, restoration, modification or any similar process;
 - (ii) aridity, humidity, exposure to light or extremes of temperature unless such loss or damage caused by storm or fire.
- (c) electrical or mechanical fault or breakdown;
- (d) depreciation; or
- (e) loss or damage arising directly or in any way from seepage, pollution or contamination, however such seepage, pollution or contamination may have been caused.

8 any claims caused by:

- (a) the actual, alleged or threatened presence of asbestos in any form, or any material or product containing, or alleged to contain, asbestos; or
- (b) any obligation, request, demand, order, or statutory or regulatory requirement that **you** or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

Notwithstanding any other provisions of this **section**, the **insurer** will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (a) or (b) of this exclusion.

- 9 **UAS operators** who have less than 10 hours' **UAS** flight time, have not successfully completed a **UAS** training course/school/academy, and/or are not in the process of commencing their **UAS** training course/school/academy, whilst under instruction by the official course trainers.
- 10 This **policy** does not cover any flight over or within the following territories unless the **insurer** has so agreed prior to the commencement of any such flight:
 - Algeria
 - Burundi
 - Cameroon
 - Central African Republic
 - Democratic Republic of Congo
 - Ethiopia
 - Kenya
 - Mali
 - Mauritania
 - Nigeria

General Exclusions

- Somalia
- The Republic of Sudan
- South Sudan
- Colombia
- Peru
- Afghanistan
- North Korea
- Pakistan
- Georgia
- Ukraine
- Russia
- Iran
- Iraq
- Lebanon
- Libya
- Egypt
- Syria
- Yemen
- USA and protectorates

General Conditions

The following conditions apply to this **policy** in addition to specific conditions as contained in each individual **section**.

1 Two or more UAS

When 2 or more **UAS** are insured, the terms of this **policy**, including the limits as shown in the **schedule**, shall apply separately to each **UAS**, unless otherwise specified.

2 Assignment

Your rights under this **policy** may not be assigned without the **insurer's** prior written agreement, such agreement not to be unreasonably withheld.

3 Other Insurance

- (a) The coverage provided by Sections 1 and 2 of this **policy** shall be proportional with any other valid and collectible insurance available to **you**.
- (b) The coverage afforded by Section 3 of this **policy** shall be excess insurance over any other valid and collectible insurance available to **you**.

4 Subrogation

The **insurer** will be entitled whether before or after paying **your** claim to conduct in **your** name the defence or settlement of any claim or to take action to seek recovery or secure indemnity from any third party in respect of any claim covered by this **policy** and will have full discretion in the conduct of any such proceedings .

You shall at all times provide all information and assistance as the **insurer** or any person authorised by the **insurer** will reasonably require.

5 Premium

The premium for this **policy** is as specified in the **schedule**.

If any part of the Premium as specified in the **schedule** is shown as being adjustable **you** shall within 1 month of the expiry of the **period of insurance** or such further periods as the **insurer** may allow, furnish such details as the **insurer** may require and the premium for such period will be adjusted accordingly subject to any minimum premium(s) that may be required by the **insurer**.

If any part of the premium is calculated on estimates, **you** shall keep accurate records containing all particulars relating thereto and shall permit the **insurer** or their representatives to inspect such records at any time.

The **insured** warrants that it will pay the premium (or any instalment) in full on or before the date as agreed, and the **insurers** will not be liable under this **policy** for any loss or damage occurring during any period in which the **insured** is in breach of this term.

6 Claims Notification

You must give notice immediately or as soon as is reasonably practicable of any claim, **occurrence**, incident or circumstance likely to give rise to a claim under this **policy** to the **Natsure Aviation** Block A, Block@Nature or sunettes@natsure.co.za or 472 Botterklapper Street, Die Wilgers telephone: +27 (12) 3640838. In all cases **you** shall:

- (i) furnish full particulars in writing of such claim or **occurrence**, incident or circumstance likely to give rise to a claim, using the Natsure Aviation Claims Incident Form and immediately forward any letters or documents relating thereto, including all log books and other records in connection with the **UAS**, which shall be kept up to date; a copy of the ROC/RLA/permit to fly (if applicable); and a copy of the UAS training course/school/academy certificate or course booking (if applicable).
- (ii) give notice of any impending prosecution;
- (iii) render such further information and assistance as the **insurer** may reasonably require; and
- (iv) not act in any way to the detriment or prejudice of the interests of the **insurer**.

In the event of theft of the **UAS** which is likely to give rise to a claim under this **policy**, **you** must also report details to the police as soon as is reasonably practicable and provide a copy of the official police report/crime number to insurers at the time of claim. If the **UAS** is found undamaged before the **insurer** has paid any claim in relation to that theft, then the **insurer** will pay the cost of returning it to **you** by the most economic means.

7 Payment of Costs

The insurer will pay any legal costs and expenses incurred with their written consent in defending any action which may be brought against you in respect of any claim for damages. In no event shall the insurer be liable for or pay damages and/or legal costs and expenses (separately or combined) in excess of the total limit of liability specified in the schedule.

However, should any amount agreed or awarded in respect of such claim exceed the total limit specified in the schedule, the liability of the insurer in respect of legal costs and expenses shall be limited (within the total limit) to such proportion of the said legal costs and expenses as the total limit bears to the amount paid as damages.

The insurer shall not be obliged to pay any legal costs and expenses incurred after the total limit of liability specified in the schedule has been exhausted and shall be entitled to return the control of any legal proceedings (without any further liability of any sort) to **you**, which **you** will accept without delay.

8 Fraudulent Claim(s)

- (a) (i) If the insurer establishes that you make a fraudulent claim under this **policy**, the **insurer**:
- (a) is not liable to pay the claim; and
 - (b) may recover from you any sums paid by the **insurer** to **you** in respect of the claim; and
 - (c) may by notice to **you** treat the contract as having been terminated with effect from the time of the fraudulent act, in writing to **you** at **your** address shown in the **schedule**.
- (ii) If the **insurer** exercises its right under clause i.c) above:
- (a) the **insurer** shall not be liable to **you** in respect of a relevant event occurring after the time of the fraudulent act; and
 - (b) the **insurer** need not return any of the premiums paid.

insurer, and in the absence of a more specific provision in the policy relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the insurer shall be effective even though the insurer makes no payment or tender of return premium.

9 Sanctions and Embargo Clause

Notwithstanding anything to the contrary in the policy the following shall apply:

- 1 If, by virtue of any law or regulation which is applicable to an insurer at the inception of this policy or becomes applicable at any time thereafter, providing coverage to the insured is or would be unlawful because it breaches an embargo or sanction, that insurer shall provide no coverage and have no liability whatsoever nor provide any defence to the insured or make any payment of defence costs or provide any form of security on behalf of the insured, to the extent that it would be in breach of such law or regulation.
- 2 In circumstances where it is lawful for an insurer to provide coverage under the policy, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then the insurer will take all reasonable measures to obtain the necessary authorisation to make such payment.
- 3 In the event of any law or regulation becoming applicable during the policy period which will restrict the ability of an insurer to provide coverage as specified in paragraph 1, then both the insured and the insurer shall have the right to cancel its participation on this policy in accordance with the laws and regulations applicable to the policy provided that in respect of cancellation by the insurer a minimum of 30 days' notice in writing be given. In the event of cancellation by either the insured or the insurer, the insurer shall retain the pro rata proportion of the premium for the period that the policy has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the

Extensions applicable to this policy

Subject to all **policy** terms, conditions, limitations and exclusions, the following areas of coverage form part of this **policy**.

Extension 1 Hull/war subject to an additional Premium payable included in the Schedule hereto

This Extension 1 attaches to Section 1 and Section 2 of the **policy** (Physical Loss of or Damage to UAS, and UAS spares). Despite General Exclusion 2 of the **policy** of which this Extension 1 forms part, this **policy** is extended to cover claims caused by the following risks:

- 1 Strikes, riots, civil commotions or labour disturbances;
- 2 Any malicious act (including acts of vandalism) or act of sabotage; and
- 3 Hijacking, spoofing, hacking or any other unlawful seizure or wrongful exercise of control of the **UAS** (including any attempt at such seizure or control) acting without **your** consent.

Provided always that

- (a) the limits of the **insurer's** liability in respect of any or all of the risks covered under this Extension 1 do not exceed the sum specified in the **schedule**;
- (b) this Extension 1 is subject to the payment by the **insured** of the **deductible** specified in the **schedule**;
- (c) the insurance provided by this Extension 1 may be cancelled by the **Insurer** giving notice effective on the expiry of seven days from midnight Greenwich Mean Time on the day on which notice is issued.

Extension 2 UAS Operators Indemnity

This Extension 2 shall cover, as if they were **you**, any **UAS operator** authorised by **you** under the terms of this **section** in respect of **bodily injury** and/or **property damage** arising out of the operation of the **UAS**, but not so as to increase the liability of the **insurer** beyond the amount which would otherwise have been payable under this Extension 2 had the liability been incurred by the **you**.

Provided always that:

- 1 At the time of any **occurrence** giving rise to a claim under this UAS Operators Indemnity Extension the said **UAS Operator**:
 - (a) shall as though they were you, observe, fulfil and be subject to the terms, conditions and exclusions contained in this **policy**, and
 - (b) is not entitled to indemnity under any other insurance.
- 2 There shall be no indemnity under this UAS Operators Indemnity Extension in respect of claims made against the **UAS Operator** by **you** and/or with respect to the **UAS**.

Extension 3 Liability to UAS Operators

Coverage shall extend to include the liability of the **insured** to the operator(s) of the insured **UAS**, except liability required to be insured under the terms of any employers' liability or workman's compensation legislation or any similar legislation.

Extension 4 Cyber Extension – Loss of Digital Assets subject to an additional Premium payable included in the Schedule hereto

The **insurer** will reimburse **you** for **digital asset loss**, in excess of the applicable **deductible** specified in the **schedule**, as a direct result of damage, alteration, corruption, distortion, theft, misuse, or destruction of **your digital assets** directly caused by a **computer virus**, whether through malicious or non-malicious acts.

This Extension 4 does not apply to:

- 1 restoring, updating, or replacing **Digital Assets** to a level beyond that which existed prior to when any damage, alteration, corruption, distortion, theft, misuse, or destruction occurred;
- 2 contractual penalties or pre-agreed or consequential damages;
- 3 any liability to third parties for whatever reason, including legal costs and expenses of any type;
- 4 fines or penalties imposed by law; or
- 5 economic or market value of **Digital Assets**.

Digital Assets

Those images or data captured by your use of a **UAS** as per the **schedule of UAS. Digital Assets** do not include any other images or data either owned or in the care, custody or control of the **Insured**.

Digital Asset Loss

The reasonable and necessary expenses and costs incurred by **you** to replace, recreate or restore **Digital Assets** to the same state and with the same content as immediately before damage, alteration, corruption, distortion, theft, misuse, or destruction occurred.

Warranties applicable to this policy

It is expressly warranted that the **insured** will satisfy in full all of the following before the **insurer** can be liable or for any applicable coverage to apply.

- (a) Cover shall be suspended until the breach of warranty is remedied so that there need be no causal link between the breach and the loss or damage, in respect of the following (a) 1-4
- 1 The **insured** shall only use the **UAS** for the **activities covered** only, inclusive of **continuation flying**.
 - 2 (a) **UAS operators** have successfully completed a **UAS** training course/school/academy, prior to conducting any commercial and/or **business** operations; or
(b) **UAS operators** have **10** hours' **UAS** flying experience and/or have successfully completed a manufacturer's training course, prior to conducting any commercial and/or business operations; or
(c) **UAS operators** have commenced their **UAS** training course (including manufacturer's training course)/school/academy and are flying the **UAS** as part of the course requirements, whilst under instruction by the official course trainers/instructor at all times (and subject to the minimum **deductible**).
 - 3 The **insured** will conduct all flights in accordance with specific **UAS** regulation/code as stipulated by the CAA/aviation national authority in the specific country of operation. If no CAA regulation/code is in place within the particular country of operation, all flights will be conducted in accordance with the following –
 - (a) At a height not exceeding 400 feet above ground level;
 - (b) At a distance not beyond the visual range of the **UAS operator**, or a maximum range of 500 metres;
 - (c) Not within 50 metres of any third party person, vessel, vehicle or structure, except during the take-off or landing, where the **UAS** must not fly within 30 metres of any third party person, vessel, vehicle or structure.
 - (e) Daytime flying only.
 - 4 **Continuation flying** will not exceed 25 hours per **period of insurance** if limited to twelve months and if greater than twelve months proportionately in the ratio that the period in excess of the **period of insurance** bears to the **period of insurance**.
- (b) Cover shall be suspended until the breach of warranty is remedied, shall apply, in respect of the following (B) 5-10:

CLAUSES

Electronic Data Event Liability Exclusion

This Policy excludes:

- (1) any form of mental injury, mental anguish, shock or fright, unless resulting from corporeal injury, caused by:
 - (a) a delay in, cancellation of or non-provision of air transportation and associated services;
 - (b) unauthorised access to and/or use of a person's or organisation's confidential, proprietary or personal information;
- (2) Property Damage to Electronic Data

arising out of a Data Event.

However, this exclusion shall not apply to such liability otherwise covered by the operative section(s) of this Policy caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.

As used herein:

"Data Event" means any access to, inability to access, loss of, loss of use of, damage to, corruption of, alteration to or disclosure of Electronic Data.

"Electronic Data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Nothing herein shall override any other exclusion clause attached to or forming part of this Policy.

Software Affirmation Clause

1. Subject to Policy terms, conditions, limitations and exclusions, to the extent coverage is afforded under this Policy, in respect of claims caused by the use of or inability to use Software, coverage shall be afforded in accordance with the limit of Insurers' liability as stated in this Policy.
2. No additional limit(s) of coverage shall be conferred by paragraph 1 of this Clause.
3. For the purposes of this Clause, Software shall mean programs, source codes, scripts, applications and other operating information used to instruct computers to perform one or more task(s).