



UAS Liability Insurance Policy Wording

Headings and marginal captions are inserted for the purpose of convenient reference only and are not to be deemed part of this Policy.

Certain words and phrases used in this Policy have special meanings which can be found in Section IV(D) Definitions.

The Insurers agree to insure against loss, damage or liability, arising out of an Accident occurring during the Period of Insurance to the extent and in the manner provided in this Policy.

SECTION I LOSS OF OR DAMAGE TO UAS

Not covered

SECTION II LEGAL LIABILITY TO THIRD PARTIES

1. Coverage

The Insurers will indemnify the Insured for all sums which the Insured shall become legally liable to pay, and shall pay, as compensatory damages (including costs awarded against the Insured) in respect of accidental bodily injury (fatal or otherwise) and accidental damage to property caused by the UAS object falling therefrom.

2. Exclusions applicable to this Section only

The Insurers shall not be liable for

Employees and
Others

(a) injury (fatal or otherwise) or loss sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of his employment with or duties for the Insured

Operational
Crew

(b) injury (fatal or otherwise) or loss sustained by any operator whilst engaged in the operation of the UAS

Property

(c) loss of or damage to any property belonging to or in the care, custody or control of the Insured;

Noise and Pollution and
Other Perils

(d) claims excluded by the attached Noise and Pollution and Other Perils Pollution and Exclusion Clause.

3. Limit of Indemnity applicable to this Section

The liability of the Insurers under this Section shall not exceed the amount stated in Part 6(C) of the Schedule, less any amounts under Part 6(B). The Insurers will defray in addition any legal costs and expenses incurred with their written consent in defending any action which may be brought against the Insured in respect of any claim for compensatory damages covered by this Section, but should the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then the liability of the Insurers in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid for compensatory damages.

See also Section IV



SECTION IV

(A) GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS

This Policy does not apply:-

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| Illegal Uses | 1. | Whilst the UAS is being used for any illegal purpose or for any purpose other than those stated in Part 3 of the Schedule and as defined in the Definitions. |
| Geographical Limits | 2. | Whilst the UAS is outside the geographical limits stated in Part 5 of the Limits Schedule unless due to force majeure |
| Pilots | 3. | Whilst the UAS is being piloted by any person other than as stated in Part 4 of the Schedule except that the AUS may be operated on the ground by any person competent for that purpose. |
| Transportation by Other Conveyance | 4. | Whilst the UAS is being transported by any means of conveyance except by Other as the result of an Accident giving rise to a claim under Section I of this Policy. |
| Landing and Take-off Areas | 5. | 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 except as a result of force majeure. |
| Contractual Liability | 6. | To liability assumed or rights waived by the Insured under any agreement except to the extent that such liability would have attached to the Insured in the absence of such agreement. |
| Non-Contribution | 7. | To claims which are payable under any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Policy not been effected. |
| Nuclear Risks | 8. | To claims excluded by the attached Nuclear Risks Exclusion Clause. |
| War, Hijacking And Other Perils | 9. | This Policy does not cover claims caused by <ol style="list-style-type: none">(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) Strikes, riots, civil commotions or labour disturbances.(d) 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.(e) Any malicious act or act of sabotage.(f) 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.(g) 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. |

Furthermore this Policy does not cover claims arising whilst the UAS is



outside the control of the Insured by reason of any of the above perils. The UAS shall be deemed to have been restored to the control of the Insured on the safe return of the UAS to the Insured at a place not excluded by the geographical limits of this Policy, and entirely suitable for the operation of the UAS (such safe return shall require that the UAS be parked with engines shut down and under no duress).

(B) CONDITIONS PRECEDENT APPLICABLE TO ALL SECTIONS

It is necessary that the Insured observes and fulfils the following Conditions before the Insurers have any liability to make any payment under this Policy.

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| Reasonable Care | 1. The Insured shall and will at all times exercise reasonable care in seeing that the ways, implements, plant, machinery and appliances used in proper order, and fit for the purpose for which they are used, and that all reasonable safeguards and precautions against accidents are provided and used. Any flight must be performed in a way that no other persons or property are endangered and so that the surroundings are inconvenienced as little as possible. |
| Due Diligence | 2. The Insured shall at all times use due diligence and do and concur in doing everything reasonably practicable to avoid accidents and to avoid or diminish any loss hereon. |
| Compliance with Air Navigation Orders, etc. | 3. The Insured shall comply with all air navigation and airworthiness orders and requirements issued by any competent authority affecting the safe operation of the UAS and shall ensure that <ol style="list-style-type: none">(a) the UAS is airworthy at the commencement of each Flight;(b) all Log Books and other records in connection with the UAS which are required by any official regulations in force from time to time shall be kept up to date and shall be produced to the Insurers or their agents on request;(c) the employees and agents of the Insured comply with such orders and requirements.(d) Operate according to SAI AUS101 |
| Claims Procedure | 4. Immediate notice of any event likely to give rise to a claim under this Policy shall be given to the insurer. In all cases the Insured shall: <ol style="list-style-type: none">(a) furnish full particulars in writing of such event and forward immediately notice of any claim with any letters or documents relating thereto;(b) give notice of any impending prosecution;(c) render such further information and assistance as the Insurers may reasonably require;(d) not act in any way to the detriment or prejudice of the interest of the Insurers.(e) If any claim under this Policy is also covered in whole or in part by any other insurance, the liability of Insurers shall be limited to their rateable proportion of such claim. |

The Insured shall not make any admission of liability or payment or offer or promise of payment without the written consent of the Insurers.



(C) GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

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| Claims Control | 1. The Insurers shall be entitled (if they so elect) at any time and for so long as they desire to take absolute control of all negotiations and proceedings and in the name of the Insured to settle, defend or pursue any claim. |
| Subrogation | 2. Upon an indemnity being given or a payment being made by the Insurers under this Policy, they shall be subrogated to the rights and remedies of the Insured who shall co-operate with and do all things necessary to assist the Insurers to exercise such rights and remedies. |
| Variation in Risk | 3. Should there be any change in the circumstances or nature of the risks which Risk are the basis of this contract the Insured shall give immediate notice thereof to the Insurers and no claim arising subsequent to such change shall be recoverable hereunder unless such change has been accepted by the Insurers. |
| Cancellation | 4. This Policy may be cancelled by either the Insurers or the Insured giving 30 days notice in writing of such cancellation. If cancelled by the Insurers they will return a pro rata portion of the premium in respect of the unexpired period of the Policy. If cancelled by the Insured a return of premium shall be at the discretion of the Insurers. There will be no return of premium in respect of any UAS on which a loss is paid or is payable under this Policy. |
| Assignment | 5. This Policy shall not be assigned in whole or in part except with the consent of the Insurers verified by endorsement hereon. |
| Not Marine Insurance | 6. This Policy is not and the parties hereto expressly agree that it shall not be construed as a policy of marine insurance. |
| Arbitration | 7. Unless otherwise agreed, disputes or differences between the Insured and the Insurer regarding this policy, shall be determined in accordance with Swedish law and shall be finally settled by arbitration at Stockholm Chamber of Commerce and in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. Where the insured is deemed to be a consumer any dispute shall be determined in accordance with domestic law by a court of general jurisdiction |
| Two or More Aircraft | 8. When two or more UAS are insured hereunder the terms of this Policy apply separately to each. |
| Limit(s) of Indemnity | 9. Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, the total liability of the Insurers in respect of any or all Insured's shall not exceed the Limit(s) of Indemnity stated in this Policy. |
| False and Fraudulent Claims | 10. If the Insured shall make any claim knowing the same to be false or fraudulent as regards amount or otherwise this Policy shall become void and all claims hereunder shall be forfeited. |

(D) DEFINITIONS

1. "ACCIDENT" means any one accident or series of accidents arising out of one event.
2. "UNIT" means 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. Nevertheless, an engine complete with all parts normally attached when removed for the purpose of overhaul or replacement shall together constitute a single Unit.



3. "OVERHAUL LIFE" means the amount of use, or operational and/or calendar time which, according to the Airworthiness Authority, determines when overhaul or replacement of a Unit is required.
4. "OVERHAUL COST" means the costs of labour and materials which are or would be incurred in overhaul or replacement (whichever is necessary) at the end of the Overhaul Life of the damaged or a similar Unit.
5. "PRIVATE PLEASURE" means use for private and pleasure purposes but NOT use for any business or profession nor for hire or reward.
6. "BUSINESS" means for business or professional purposes but NOT use for hire or reward.
7. "COMMERCIAL" means for business by the Insured for hire or reward
8. "RENTAL" means rental, lease, charter or hire by the Insured to any person, company or organisation, where the operation of the AUS is not under the control of the Insured. Rental is NOT insured under this Policy unless specifically declared to Insurers and the detail of such use(s) stated in Part 3 of the Schedule under SPECIAL RENTAL USES.
9. "FLIGHT" means from the time the UAS moves forward in taking off or attempting to take off, whilst in the air, and until the UAS completes its landing run. A rotary-wing aircraft shall be deemed to be in Flight when the rotors are in motion as a result of engine power, the momentum generated therefrom, or autorotation.
10. "TAXIING" means movement of the UAS under its own power other than in Flight as defined above. Taxiing shall not be deemed to cease merely by reason of a temporary halting of the UAS.
11. "GROUND" means whilst the UAS is not in Flight or Taxiing.