

We've got you covered!



Underwritten by:



Note that this policy is provided for demonstration purposes only.
You don't have real insurance coverage from SkyWatch

SAMPLE

SCHEDULE

Policy Number 100000016-12.

This page with the Policy Wording and all endorsements attached hereto completes this numbered aviation liability policy, issued by the company as indicated above (hereinafter called the Company).

ITEM 1 NAMED INSURED: Sam Safeflyer, SkyWatch.AI.
ADDRESS: 1234 land lane , London, UK, 12345678.

ITEM 2 Policy Period:
From July 28,2019 10:31
To August 28,2019 10:31 EDT

ITEM 3 Policy Limits
£2500000 Each Occurrence and in the aggregate

* Noise liability:	Excess of £250 on any one occurrence
* Invasion of privacy:	Limited to £10,000 and excess of £250 on any one occurrence

ITEM 4 Description of **UAS** insured hereunder:
Any UAS under 25 kg

ITEM 5 The **UAS** will be used only for the following purpose: As required by the Named Insured.

ITEM 6 Policy Territory
Within the United Kingdom

Date of Issue: July 28,2019 10:31 EDT

Notices

Documentation

This document, the **schedule** and any **endorsement(s)** attaching to this document and/or **schedule** constitute the **policy**, which is the insurance contract and sets out the terms of this insurance between **you** and the **insurer**.

Your compliance with policy terms

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may result in **your** claim being refused or reduced where that claim has been affected by **your** failure to comply.

Defined terms

Certain words or phrases in this **policy** have specific meaning as defined within this **policy** and wherever these words appear in bold in this **policy** the defined meanings shall apply. These defined words or phrases can be found under the Definitions **section** of this **policy**.

Understanding this policy

This **policy** must be read by **you** in its entirety as conditions, exclusions and other limitations apply.

You must ensure that the cover **you** have purchased under this **policy** is adequate for **your** needs.

If **you** think there is a mistake in or a change needs to be made to this **policy**, then **you** must immediately notify Skywatch.

How to make a claim

In the event of a claim or potential claim or **occurrence** or incident or circumstances likely to give rise to a claim, please refer to Condition 7.

There are further obligations imposed on **you** under this **policy** in respect of claims, **occurrences** or incidents or circumstances likely to give rise to a claim. These can be found under the Conditions **section** of this **policy** and where applicable, other **sections** of this **policy**.

Questions and concerns about this policy and how to make a complaint

The **insurer** is committed to providing its **insureds** with a high standard of service, giving due regard to their interests and treating them fairly at all times.

If **you** have any questions or concerns about or are dissatisfied with this **policy**, the servicing of it or the handling of a claim (or claims) under it, **you** should, in the first instance contact Skywatch; stating the nature of **your** enquiry along with **policy** number as shown in the **schedule** and, if applicable, claim(s) references.

In the event that **you** are dissatisfied with the response received from Skywatch, **you** can refer the matter to the **insurer** by contacting:

Chaucer Syndicates Limited
Address: 30 Fenchurch Street, London EC3M 3AD
Telephone: +44 (0) 7397 9700
E-mail: complianceenquiries@chaucerplc.com
Website: www.chaucerplc.com/complaints/

If **you** are not satisfied with the **insurer's** response, **you** may refer **your** complaint to Lloyd's by contacting:

The Complaints' Team, Lloyd's
Address: One Lime Street, London EC3M 7HA
Telephone: +44 (0)7327 5693
E-mail: complaints@lloyds.com
Facsimile: +44 (0)73275225
Website: www.lloyds.com/complaints

Details of Lloyd's complaints' procedures are set out in a leaflet "**Your** Complaint - How Can We Help" available at www.lloyds.com/complaints.

If **you** remain dissatisfied after Lloyd's has considered the matter, **you** may be able to refer the complaint to the **United Kingdom's Financial Ombudsman Service (FOS)** by contacting:

The FOS

Address: Exchange Tower, London E14 9SR
Telephone: 0800 0234 567 (calls are free from fixed lines in the **United Kingdom**), or 0300 1239 123
E-mail: complaint.info@financial-ombudsman.org.uk

The FOS will deal with complaints from **insureds** who are private individuals or small **businesses** or charities or trusts. Not all **businesses**, charities or trusts are eligible to complain to the FOS; **your** eligibility to complain to the FOS will depend on the size of the **business**, charity or trust. To check if **you** are eligible **you** can refer to the FOS using the contact details immediately above.

Making a complaint does not affect **your** right to take legal action; however, the FOS will not adjudicate on any cases where litigation has commenced.

Compensation

The **insurer** is covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the FSCS if in the unlikely event that the **insurer** is unable to meet its obligations under this **policy**. If **you** were entitled to compensation under the FSCS, the level of compensation payable would depend on the nature of the insurance granted under this **policy**.

Further information about the FSCS is available from the FSCS at the address immediately below or on their website:
www.fscs.org.uk
Financial Services Compensation Scheme
Address: 10th Floor, Beaufort House,
15 St Botolph Street, London, EC3A 7QU

Data protection statement

Information provided to the **insurer** in connection with this **policy** will be used for the purpose of providing this insurance and the handling of claims under it. The information will be handled in accordance with applicable data protection laws.

The **insurer** may disclose information which it holds on **you** to third parties for the purposes of providing the services under this **policy** and managing its **business**.

The **insurer** may be required by law to provide the information which it holds on **you** to a Government authority or regulatory body or to a law enforcement agency in connection with the prevention and investigation of crime, including fraud and money laundering.

If the **insurer** is required to transfer the information which it holds on **you** outside the European Economic Area, the **insurer** will take steps to protect the information. Any transfer will be made in accordance with applicable data protection laws.

Insurance premium tax

The premium payable under this **policy** may be subject to compulsory Insurance Premium Tax, which shall be payable by **you** at the appropriate rate. The applicable Insurance Premium Tax is shown in the **schedule** and/or on the applicable premium debit note(s) / invoice(s).

In the event that the rate or application of Insurance Premium Tax changes during the period of insurance and any premium payable during the period of insurance is subject by law to such change or application, then that premium payable shall incorporate such change or application.

Choice of Law and Jurisdiction

This **policy** shall be subject to English law and any dispute shall be handled in the courts of England and Wales.

Trading sanction(s) restrictions

The **insurer** shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Disclosure and Accuracy of Information

You must take care to give accurate and complete information relating to the insurance provided by this **policy**.

If **you** become aware that the information **you** have given to the **insurer** is inaccurate or incomplete or **you** have any particular concerns about any of the information **you** have provided or should provide, before or during the period of insurance, then **you** must advise **your** insurance broker.

If the information **you** have given the **insurer** in relation to this insurance proves to be inaccurate or incomplete, then the **insurer** may:

- Amend the terms of this **policy**, which may be applied as if they were already in place prior to any claim, or
- Reduce the amount the **insurer** pays on a claim in the proportion the premium paid bears to the premium the **insurer** would have charged **you** had the information not been inaccurate or incomplete, or
- Treat this **policy** as if it never existed, which means no claims will be paid and the premium paid under it will be returned to **you**. This will only be done if this insurance would not have been provided if the information given had not been inaccurate or incomplete.

If the **insurer** establishes that **you** deliberately or recklessly provided false or misleading information in relation to the insurance provided under this **policy**, the **insurer** will treat this insurance as if it never existed, which means no claims will be paid and the **insurer** will not return the premium. If this happens the **insurer** will advise **you** in writing at **your** address shown in the **schedule**.

Change in Risk Information

If:

- the information **you** have given the **insurer** in relation to the insurance provided under this **policy** changes, or
- there is any significant change in or variance of the risk(s),
- before or during the period of insurance then the **insurer** needs to know as it may result in:
 - i. the **insurer** applying different terms, and/or
 - ii. a claim not being paid (in whole or in part), and/or the **policy** no longer being suitable to meet **your** needs.

To enable the **insurer** to assess any such changes or variations in information and/or risks **you** must tell the **insurer** as soon as is reasonably practicable of any such changes or variations. **You** can do this by advising Skywatch.

Cancellation of your hourly policy

This policy covers insurance by the hour, which allows a policy period of not exceeding eight hours from any one purchase. Once **you** have purchased a period of insurance through the application, **you** may not cancel it.

Cancellation of your one month rolling policy**A. Cancellation during the first fourteen (14) days**

If the insurance provided under this policy does not meet your requirements and no claim has been made under this policy and you are not aware of any occurrence, incident or circumstance likely to give rise to a claim under this policy, you can cancel this policy within 14 days of:

- (i) the start date of the first monthly period of insurance as shown under the period of insurance, or
- (ii) the date you received this policy,

whichever is the later.

In exercising **your** right to cancel in this way, you withdraw from this contract of insurance from the start date as shown in the **period of insurance** and the **insurer** will return to **you** the premium paid. You can do this by advising Skywatch.

B. Cancellation in other circumstances**(a) Cancellation by you**

You can cancel this policy during the period of insurance by giving thirty (30) days' written notice to Skywatch.

If you cancel this policy and a claim has not been made under this policy and there is no known potential claim or occurrence, incident or circumstance likely to give rise to a claim under this policy, the insurer will return a pro rata portion of premium paid in respect of the unexpired period of insurance.

(b) Cancellation by the insurer

The insurer may cancel this policy if:

- (i) you provide any information that proves to be inaccurate or incomplete (see Disclosure and Accuracy of Information Notice in this policy), or there is a significant change or variation in the risk so that the insurer can no longer provide the insurance cover under this policy, the insurer will cancel this policy by giving you thirty (30) days' written notice via Skywatch. The cancellation will take effect 30 days after the day you are notified of the cancellation and the insurer shall return a pro rata portion of premium paid in respect of the unexpired period of insurance.
- (ii) the extent of the change or variation makes the risk unacceptable to the insurer and the insurer cannot continue to insure you for any further period, the insurer will cancel this policy by giving you immediate notice via Skywatch. The cancellation will take effect on the day you are notified of the cancellation and the insurer shall return the premium paid for the unused period of insurance.

In accordance with the Change in Risk Information condition under this Notice section of the policy the insurer may not pay any claim where that claim arises from or relates to a change or variation in risk.

- (iii) you make a claim under this policy through concealment, misstatement or by recklessly or deliberately providing false information (see Fraudulent Claims condition under General Conditions in this policy), then the insurer will cancel this policy with immediate effect from the date the fraud was committed, and will notify you of the cancellation in writing at your address shown in the schedule.

In addition to the above 'Cancellation of this policy' notice, your attention is drawn to the additional cancellation conditions as follows:

1. Paragraph (b) Cancellation (7 days) applicable to Section 3 of this policy.

Agreement to Insure

This **policy** is an insurance contract between the **Insurer** and **you**.

Provided the premium (including the applicable Insurance Premium Tax) has been paid by **you** in accordance with the terms of this **policy**, the **insurer** shall provide the insurance in accordance with the terms of this **policy**.

Only **you** and the **insurer** can enforce the terms of this **policy**. The Contracts (Rights of Third Parties) Act 1999 will not grant any rights under this **policy** in favour of or enforceable by any third party.

The insurer's regulatory status

The **insurer** is authorised and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (PRA), with a Financial Services Register number of: 204915

The above can be checked and further details obtained from: www.bankofengland.co.uk for the PRA, and <https://register.fca.org.uk> for the FCA

Definitions

Activities covered

Business, commercial, recreation, continuation training, initial training under the supervision of an **NQE** and **CAA examination flights**.

Annual aggregate

If multiple hourly policies are purchased the **annual aggregate** is the total amount the **insurer** will pay as claims under these **policies** in a calendar year.

Application

The Skywatch application through which the insurance has been purchased.

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.

CAA examination

Practical flight assessment conducted by the UK Civil Aviation Authority for granting a Permission for Commercial Operations.

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 and undesirable effect or operation when loaded onto a **system** or **ground control station**, transmitted via networks, extra nets, internets or electronic mail or attachments thereto.

Continuation training

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 by the hour

Insurance cover purchased on the **application** to cover a period of less than 24 hours.

Insured/you/your

The party named in the **schedule**.

Insurer

Chaucer Syndicates Limited, Syndicate 1084 at Lloyd's.

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**.

NQE

National Qualified Entity; a training organization recognised by a national Civil Aviation Authority or equivalent.

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**.

Operational area

The area defined on the **application** by the **insured** prior to the commencement of **flight**. For **insurance by the hour** this directly determines the premium charged.

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.

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**.

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, 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.

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**.

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) is extended to cover claims arising from perils (a) to (f) below, which would otherwise be subject to exclusion 18;

- (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; or
- (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 otherwise) 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 **your** consent.

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.

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.

Notices

All notices shall be in writing, including electronic means, including but not limited to email and in-app messaging.

UAS operators Indemnity Extension

This Extension 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 had the liability been incurred by **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**.

General Exclusions

This **policy** does not apply to:

1. **bodily injury** or **property damage** or **invasion of privacy** 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. This **Policy** does not cover claims directly or indirectly occasioned by, happening through or in consequence of:-
 - (a) pollution and contamination of any kind whatsoever,
 - (b) electrical and electromagnetic interference,
4. claims arising from the **UAS** being used for any illegal activity or for any activity other than those as specified in the **schedule**.
5. **bodily injury** or **property damage** or **invasion of privacy** occurring or **noise liability** incurred whilst the **UAS** is outside of the **operational area** as defined on the **application** prior to **flight**, unless this is due to **force majeure**.
6. **bodily injury** or **property damage** or **invasion of privacy** occurring or **noise liability** incurred whilst the **UAS** is in breach of the geographical limits as specified in the **schedule**, unless such breach is due to force majeure.
7. **UAS operators** who do not hold a UK Civil Aviation Authority Permission for Commercial Operations, unless the **activity covered** is a **CAA examination** or training under the supervision of an **NQE**.
8. **bodily injury** or **property damage** or **invasion of privacy** or **noise liability** incurred 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**.
9. liability assumed by **you** by agreement under any contract unless such liability would have attached to **you** in the absence of such agreement.
10. liability arising from the onward transmission or propagation of a **computer virus**;
11. **bodily injury** or **property damage** or **noise liability** 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;
12. **bodily injury** or **property damage** or **invasion of privacy** or **noise liability** 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**;
13. **bodily injury** or **property damage** or **invasion of privacy** or **noise liability** 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**;
14. **bodily injury** or **property damage** or **invasion of privacy** or **noise liability** 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**;
15. 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;
16. liability arising out of the operation of an airfield control tower unless previously agreed by the **insurer**.
17. liability directly or indirectly caused by or contributed to, by or arising from;
 - (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.

18. claims caused by;

- (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
 - i) detonation of any device employing atomic or nuclear fission and/or fusion or other like reaction and any radioactive contamination and electromagnetic pulse resulting directly from such detonation.
 - ii) use of radioactive contamination or matter.
 - iii) use of an electromagnetic pulse.
 - iv) emission, discharge, or release of chemical or biological materials that are poisonous or pathogenic.
- (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; or
- (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 otherwise) 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 **your** consent.

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**.

19. any claim, damage, injury, loss, cost expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):
- (a) the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or **system** (whether in the possession of the **Insured** or of any third party) accurately or completely to process, exchange or transfer year, date or time data or information in connection with any change of year, date or time; whether on or before or after such change of year, date or time;
 - (b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or **system** (whether in the possession of the **Insured** or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
 - (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the **Insured** or of any third party related to any such change of year, date or time;

and any provision in this **policy** concerning any duty of **Insurers** to investigate or defend claims shall not apply to any claims so excluded.

- 20. any **UAS** which is not in use as part of the **activities covered**. Including at air shows or participating in air racing events/meets
- 21. loss of use of the **UAS** or interruption of **your business** (including any loss of income or of contract) arising from third party **bodily injury** and/or property damage covered under this **policy**.

22. claims arising from the **insured** failing to take all reasonable care/measures to maintain/operate the **UAS** in good and proper condition in accordance with the relevant manufacturers' guidelines.
23. 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.

24. the use of **home-built UAS/spares**

SAMPLE

General Conditions

The following conditions apply to this **policy**.

1. If there is more than one **insured** covered by this **policy**, 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**.

2. **Other Insurance**

The coverage afforded by this **policy** shall be excess insurance over any other valid and collectible insurance available to **you**.

3. **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.

4. **Assignment**

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

5. **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.

6. **Premium**

The premium for this **policy** is as specified in the **schedule** or, for **insurance by the hour**, by the **application**.

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. **Section 11** of the Insurance Act 2015 does not apply to this premium payment warranty.

7. **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 **insurer** via Skywatch or directly to us at;

Chaucer Syndicates Limited, 30 Fenchurch Street, London EC3M 3AD;
telephone: +44 (0) 207 397 9000.

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 and immediately forward any letters or documents relating thereto, including any log books, operating manuals or other records in connection with the **UAS** (if applicable); and a copy of permissions and/or licences for **commercial** or **business** operations.
- (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.

8. 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.

9. Fraudulent Claim(s)

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**.

If the **insurer** exercises its right under clause (c) above:

- (i) the **insurer** shall not be liable to **you** in respect of a relevant event occurring after the time of the fraudulent act; and
- (ii) the **insurer** need not return any of the premiums paid.

10. Sanctions and Embargo Clause

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

- (a) If, by virtue of any law or regulation which is applicable to the **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, the **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.
- (b) In circumstances where it is lawful for the **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.
- (c) In the event of any law or regulation becoming applicable during the **policy** period which will restrict the ability of the **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 **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.

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, but **section 11** of the Insurance Act 2015 shall not apply, so that there need be no causal link between the breach and the loss or damage, in respect of the following (a) 1-3
1. The **insured** shall only use the **UAS** for the **activities covered**.
 2.
 - (i) **UAS operators** have a UK Civil Aviation Authority Permission for Commercial Operations prior to conducting any flights; or
 - (ii) **UAS operators** without a UK Civil Aviation Authority Permission for Commercial Operations shall only conduct flights: During their **CAA examination** whilst under the supervision of a UK Civil Aviation approved examiner; when training under the supervision of an **NQE**.
 3. The **insured** will conduct all flights in accordance with specific **UAS** regulations as stipulated by the UK Civil Aviation Authority. Notwithstanding any non-standard permissions obtained, all flights will be conducted in accordance with the following –
 - (i) At a height not exceeding 400 feet above ground level;
 - (ii) At a distance not beyond the visual range of the **UAS operator**, or a maximum range of 500 metres;
 - (iii) 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.
 - (iv) Daytime flying only.
- (b) Cover shall be suspended until the breach of warranty is remedied, and **section 11** of the Insurance Act 2015 shall apply, in respect of the following 4-7:
4. Each **UAS** will not exceed 25kg.
 5. The **insured** will only fly a **UAS** if it has a PFAW/PFCO/permit to fly (permission for aerial work/permission for **commercial** operation) in place prior to performing **business** or continuation **flights** (where applicable), regardless of the country in which the **flight** takes place in (where applicable).
 6. The **UAS** is airworthy at the commencement of each **flight**.
 7. The **insured** shall maintain any records required by the UK Civil Aviation Authority to support their Permission for **Commercial** Operations, and produce them to the **insurer** or their agents on request.