



# **YOUR COMMERCIAL DRONE INSURANCE**

Summary of cover



This document is a summary of the insurance cover provided by the UNMANNED AERIAL SYSTEM (UAS) INSURANCE POLICY FOR COMMERCIAL OPERATORS v January 2022 and, as such, it does not contain the full terms and condition of your insurance. You can find the full terms and conditions of your insurance in the **Policy**.

This summary is provided to you for information purposes only and does not form part of your insurance contract. The sections of cover included for you are as detailed in your **Policy Schedule**.



## Insurers

This insurance is underwritten 75% by **Starr International (Europe) Limited**

Starr International (Europe) Limited (SIEL), is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

This insurance is underwritten 25% by **Travelers Insurance Company Limited**

Travelers Insurance Company Limited (TSML) is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered Office: One Creechurch Place, London EC3A 5AF. Registered in England 01034343.



## Right to cancel

### For policies of less than one month duration:

There is no 'cooling off' period and should you cancel this **Policy**, your **Policy** will remain active until the expiry date, when the cancellation will take effect.

### For policies of more than one month duration:

You can cancel this **Policy** at any time by giving the **Insurers** 30 days' notice in writing. Your notice of cancellation should be sent to **Coverdrone**. This notice can be mailed or scanned and attached to an email addressed to **Coverdrone**.

A pro rata refund of the premium will be paid for the remaining portion of the **Period of Insurance** after the cancellation date.

The **Insurers** can cancel this **Policy** by giving you thirty (30) days' notice in writing but will only do so for a valid reason. The **Insurers** will either return a pro rata portion of the premium in respect of the unexpired **Period of Insurance** or have the option to retain the premium in the case of fraudulent claims. Please see General Condition 9 for more information.

**There will be no return of premium in respect of any UAS on which a loss is paid or is payable under this Policy.**



## Applicable law and jurisdiction

Domicile of the **Insured**.



## How to make a claim

The **Insured** should give notice of any event likely to give rise to a claim under this **Policy** to **Coverdrone** as soon as reasonable practicable. The **Insured** should give full particulars of such event and forward as soon as reasonable practicable to **Coverdrone** any letters or documents relating to the claim and give notice of any impending prosecution. The **Insured** must give such further information and assistance as the **Insurers** may reasonably require and the **Insured** should not act in any way to the detriment or prejudice of the interests of **Insurers**.

**No admission, offer, promise or payment shall be made by the Insured without the consent of the Insurers.**

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## Complaints

The **Insurers** aim to ensure that all aspects of your **Policy** are dealt with promptly, efficiently and fairly. At all times, they are committed to providing you with the highest standard of service.

If you have any questions or concerns about your **Policy** or the handling of a claim you should in the first instance contact:



Coverdrone Limited  
Arrowscroft  
142 Nantwich Road  
Crewe, Cheshire  
CW2 6BG United Kingdom



01270 448 998



support@coverdrone.com

In the event that you remain dissatisfied and wish to make a complaint, you can do so at any time in the following ways:



The Head of Compliance  
Starr International (Europe) Limited,  
4th Floor, 30 Fenchurch Avenue  
London, EC3M 5AD



complaints@starrcompanies.com



020 7337 3550

If you remain dissatisfied after Insurers have considered your complaint, you may have the right to refer your complaint, free of charge, to the Financial Ombudsman Service via <http://www.financialombudsman.org.uk> or the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

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## How long will your contract of insurance be valid

Your **Policy** is issued for 12 months or such other duration as detailed in your **Policy Schedule**.

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## Geographical limits

**Insurers** will provide coverage for your **UAS** Worldwide

Excluding:

- North Korea, Iran, Russia, Crimea, Ukraine and Belarus
- Afghanistan, Iraq, Libya, Syria, Yemen, Nagorno-Karabakh, North Caucasian Federal District, Somalia, The Republic of Sudan, South Sudan
- Burundi, Cabinda, Central African Republic, Congo, Democratic Republic of Congo, Eritrea, Ethiopia, Ivory Coast, Liberia, Mauritania, Gorgia, Pakistan
- Any country where the operation of the insured Aircraft is in breach of the United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.



## Section One:

Accidental physical loss of or damage to **UAS**

### KEY BENEFITS

Coverage:

- **Insurers** will pay for accidental physical loss of or damage to the **UAS** and/or **Airborne Equipment** up to the limit stated in the **Policy Schedule** occurring during the **Period of Insurance** whilst in **Flight/Flying**, on the **Ground** or whilst being **Transported**.
- **Insurers** will, in addition, pay any reasonable expenses incurred for the purpose of attempted or actual removal, disposal or destruction of the wreck of an **UAV** up to the amount stated in the **Policy Schedule**.
- **Insurers** will at the request of the **Insured** and regardless of the **Insured's** legal liability, offer reasonable settlement in respect of loss of or damage to crops and/or other property caused by trespassers following a crash of the **UAV** up to the amount stated in the **Policy Schedule**.

### MAIN EXCLUSIONS

Your **Policy** will not cover you:

- For any wear and tear, deterioration, depreciation, freezing, breakdown, defect or failure howsoever caused in the **UAS** and/or **Airborne Equipment**.
- For damage to aerial cameras or scanners (other than as a result of an accident to the carrying **UAS**) due to scratching, fogging or misting of lens.
- For any damage to the **UAS** or **Airborne Equipment** if the lifting weight recommended by the manufacturer for the **UAS** make and model is exceeded when any **Airborne Equipment** is attached.
- For damage occurring to the **UAS** and/or **Airborne Equipment** whilst being **Transported** if it is not packed in accordance with the manufacturers guidelines or in a securely stored and padded flight case.
- Damage while participating in air racing events.





## Section One - Sum insured and deductible applicable

The maximum **Insurers** will pay for physical loss or damage to your **UAS** or **Airborne Equipment** and the amount that will be deducted from a claim payment to you is stated in your **Policy Schedule**.



## Section Two: Legal liabilities to third parties

### KEY BENEFITS

Coverage:

- Your liability for **Bodily Injury** and/or **Property Damage** to third parties including whilst using vehicles airside, liability for damage to third party property whilst on the ground and being serviced, handled or maintained by you and liability arising out of the Products Hazard as defined in the **Policy** wording.
- **Invasion of Privacy**
- **Data Liability Event**

caused by an **Occurrence** and arising from your **UAS** business operations

### MAIN EXCLUSIONS

Your **Policy** will not cover you:

- For **Bodily Injury** sustained by any director or employee of the **Insured** or partner in the **Insureds** business or operation while acting in the course of his employment or duties for the **Insured**.
- For **Property Damage** to any property belonging to or in the care, custody or control of the **Insured**. However this exclusion does not apply to **Property Damage** to a **UAS** not owned by the **Insured** whilst on the ground and being serviced, handled or maintained by the **Insured**.
- For **Advertising Liability**.
- For any fines, penalties or punitive or exemplary damages.
- For liability arising from noise, pollution and contamination.
- For 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.
- For any liability arising from the use of any vehicle upon the public highway.
- Damage or loss caused directly by drifting compounds, seeds, pesticides or chemicals dropped, sprayed or emitted intentionally or otherwise in the course of crop dusting or spraying operations or any other operation from the air by use of the **UAS**.



## Section Two - Limits

The maximum **Insurers** will pay for **Bodily Injury** and/or **Property Damage** to third parties and the amount that will be deducted from a claim payment is stated in your **Policy Schedule**.



### Important information that could affect the payment of your claims and limit your coverage



#### Compliance with Air Navigation and Air Worthiness Orders

- The **Insured** and any **Authorised Operator** must comply with all air navigation and airworthiness orders and requirements issued by any competent authority affecting the safe operation of a **UAS**.
- the **UAS** is airworthy at the commencement of each **Flight**;
- 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;
- the employees and agents of the **Insured** comply with such orders and requirements.



#### Change in Risk

The **Insured** shall be under a continuing duty, during the **Period of Insurance**, to notify the **Insurers** as soon as reasonably practicable of any changes which increase the risks which have been presented to the **Insurers**. Such changes shall be subject to agreement by **Insurers** and may require an additional premium to be charged.

There shall be no coverage for any claims resulting from any changed element of the risk unless the changed element of the risk has been notified to and agreed by **Insurers**.



#### Sanctions and Embargo

This **Policy** is subject to a Sanctions and Embargo Clause AVN111

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 **Period of Insurance** 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 **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.



### Rights of Third Parties

This contract of insurance is between you as the named **Insured**, and any other person named in your **Policy**, and the **Insurers**. Nobody else has any rights under the Contract (Rights of Third Parties) Act 1999 to enforce any term under your insurance contract.



## Additional extension of coverage endorsements

### Endorsement one

#### Extended Coverage Endorsement (Aviation Liabilities) AVN52E (amended)

This **Endorsement** extends your cover to include paragraphs other than (b) of the War, Hi-jacking and Other Perils Exclusion Clause AVN48B contained in your **Policy** wording.



## Endorsement two

### Unmanned Aerial System HULL “WAR AND ALLIED PERILS” EXTENSION

This **Endorsement** extends your coverage to include damage or loss of use of your **UAS** 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) 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** flight (including any attempt at such seizure or control) made by any person or persons acting without the consent of the **Insured**.
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## Endorsement three

### Non-owned electronic equipment extension endorsement

This **Endorsement** extends your cover to include accidental physical loss of or damage to electronic equipment leased or hired but not owned by you whilst in your care, custody and control.

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## Endorsement four

### Liability limit whilst training

This **Endorsement** extends your cover to include an operator whilst in training.

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## Endorsement five

### UAV operating mass weight restriction

This **Endorsement** restricts the cover for any **UAV** with an operating mass exceeding 40KG.

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## Endorsement six

### Incompatibility of software or programs extension endorsement

This **Endorsement** extends your cover so that in the event of damage to your **UAS** if the software or programs are incompatible with the replacement equipment **Insurers** will pay for necessary modifications etc.

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## Endorsement seven

### Increased cost of work extension endorsement

This **Endorsement** extends cover to pay for necessary and reasonably incurred expenses to enable you to fulfil contractual obligations of a contract including the cost of renting temporary replacement equipment.

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## Endorsement eight

### Reinstatement of data extension endorsement

This **Endorsement** extends cover so that **Insurers** will repair or pay for the reinstatement of data and will pay reasonable hire charges whilst repair to your equipment are being carried out in order to enable you to continue with your business.

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## Endorsement nine

### Civil use of MOD airfields endorsement

This **Endorsement** extends cover to indemnify you for all sums which you shall become legally liable to pay for damages whilst using Ministry of Defence airfields as more fully set forth in the **Policy** wording.

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## Endorsement ten

### Unauthorised use clause

This **Endorsement** extends cover for third party liability if your **UAS** was used by a person not authorised by you.

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## Endorsement eleven

### UAS operator indemnity clause

This **Endorsement** extends the liability coverage provided to the **UAS** authorised operator as if liability had been incurred by the **Insured**.

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## Endorsement twelve

### Professional indemnity extension of coverage endorsement

This **Endorsement** extends to indemnify the **Insured**, up to the limit stated in the **Policy Schedule**, against legal liability for any claim or claims which are first made against them and notified to **Insurers** during the **Period of Insurance** by reason of any negligent act, negligent error or negligent omission in the conduct of their business as the owner/operator of the insured **UAS**.

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## Endorsement thirteen

### Prototype drone endorsement

This **Endorsement** restricts the cover under section 1 (equipment) for any prototype drones.

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## Endorsement fourteen

### Military work endorsement

This **Endorsement** restricts the cover for any military work involving live fire, tactical or strategic operations.

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