

COMMERCIAL GENERAL LIABILITY COVERAGE

EXTENSION ENDORSEMENT – DRONE OPERATIONS

This Endorsement Changes the Policy. Please Read It Carefully.

Other words and phrases that appear in bold have special meaning. Refer to SECTION IV – DEFINITIONS of the Commercial General Liability Max form.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Commercial General Liability Max form and is subject to all terms, conditions, limitations and exclusions of such form.

EXTENSION OF COVERAGE – DRONE OPERATIONS

Regardless of an aircraft or aviation liability exclusion to the contrary in the Commercial General Liability form, this Insurance is extended to apply to the use or operation by or on your behalf of a Remotely Piloted Aircraft System (referred to in this Endorsement as a **drone**), while such **drone** is used primarily for business purposes in your operations as declared in the Declaration Page(s).

OPTIONAL DRONE SCHEDULE

If a schedule of **drones** and their related apparatus, equipment and accessories is attached to and forms part of the Commercial General Liability Max Form as extended by this Endorsement, then liability coverage granted by this Endorsement applies only to the use or operation by or on your behalf of such scheduled items.

For the purposes of this Endorsement, the definition of **coverage territory** is amended as follows: **Coverage territory** means Canada.

EXCLUSIONS

Regardless of anything in the Commercial General Liability Max Form to the contrary, the coverage granted by this Endorsement shall not apply to:

1. injury, including consequential **bodily injury**, arising out of invasion of privacy;
2. liability assumed under any contract or agreement except to the extent that liability for **compensatory damages** would have attached to you in the absence of such contract or agreement;
3. fines or penalties assessed against or imposed on you in relation to **bodily injury** or **property damage** arising from the use or operation by or on your behalf of a **drone**;
4. **bodily injury, property damage** or Medical Payments arising out of, caused by or contributed to by:
 - 4.1. your failure or anyone operating a **drone** on your behalf, to comply with any statute, permit, rule, regulation, standard or with any requirement for qualification and certification to operate a **drone**;
 - 4.2. the use or operation by or on your behalf of a **drone** within six (6) kilometres of an active airport or an active aircraft landing area or within two (2) kilometres of an active heliport;
 - 4.3. the use or operation by or on your behalf of a **drone**:
 - 4.3.1. that exceeds twenty-five (25) kilograms in total take-off weight;
 - 4.3.2. within 250 metres of any other aircraft;
 - 4.4. the use or operation of a **drone** while such **drone** is rented to, leased to or lent to others by or on your behalf, without a pilot;
 - 4.5. the use or operation of a **drone** for any illegal, fraudulent or unlawful purpose.

SPECIAL WARRANTY – DRONE BATTERY STORAGE

The following Warranty is incorporated into and is a condition of the Commercial General Liability coverage, as extended by this Endorsement or otherwise. Your failure to comply in whole or in part with this Warranty will suspend the coverage afforded by this Endorsement with respect to **bodily injury** or **property damage** arising out of the transportation on a passenger aircraft of a **drone** battery, a **drone** fuel cell or a **drone** fuel storage device. The suspension shall cease when you remedy the failure of such warranty.

IT IS WARRANTED that prior to any **drone** (including its parts or accessories) being transported by or on your behalf on a passenger aircraft, any battery, fuel cell or fuel storage device for such **drone** will be removed from its operating position within the **drone** and placed in a separate bag or case for the full duration of such transport.

LIMITS OF INSURANCE

1. The amount of insurance that applies to this Endorsement is included in (and is not in addition to) the Each Occurrence limit of the Commercial General Liability policy.
2. Limits are specified for this Endorsement in this Policy Declaration Page(s) as:
'Limit of Liability - Each Accident or Occurrence' and 'Limit of Liability – Aggregate'.
3. The Aggregate limit is the Insurer's maximum limit of liability in any one **policy period**, regardless of the number of occurrences or claims or regardless of the number of Insureds.

If the Commercial General Liability Form to which this Endorsement is attached is subject to a General Aggregate Limit, the Aggregate Limit as specified for this Endorsement is part of and is not in addition to the General Aggregate Limit of Insurance as specified for the Commercial General Liability policy.

DEFINITION

For the purpose of this Endorsement:

Drone means a power-driven unmanned aircraft (other than a model aircraft, balloon, rocket or kite) that is designed to fly without passengers or a human operator on board.

All other terms and conditions of the policy remain unchanged.