

# Mutual Aid Box Alarm Systems

## Unmanned Aircraft Systems Program (UAS)

### Insurance Recommendations

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#### OVERVIEW

This document provides information as to which UAS assets shall be covered by insurance policies owned and maintained by MABAS, as well as makes recommendations as to how agencies and divisions onboarding UAS programs should insure themselves.

#### 1. WHAT INSURANCE SHOULD AN AGENCY CONSIDER?

##### General Liability

General liability insurance protects the agency against liability claims in the event of an aircraft accident causing tangible damage to persons or property. Minimum limits of \$1 million are common in the UAS industry.

**NOTE:** While some specialized policies and intergovernmental risk pools may include coverage for UAS operations, do not assume that your agency's blanket policy includes general liability coverage. Traditionally, many blanket policies include an "aviation exclusion" that prevents the insured from using any aircraft manned or UAS. This is changing with the increased adoption of UAS technology. Check with your insurance provider to confirm.

##### Professional Liability

For agencies that conduct and manage internal training, Professional Liability insurance, (sometimes referred to as "errors and omissions" insurance protects the agency against claims of inadequate or improper training of the UAS flight crew. FAA and NTSB statistics indicate greater than 80% of aviation accidents are caused by human error, thus agencies who conduct their own training may be at risk of such claims in the event of an accident.

##### Hull Damage (Comprehensive Coverage)

Hull Insurance, also called "Comprehensive Coverage" protects the aircraft against both damages related to accidents, as well as other damage from storage and transport. Self-insuring for hull damage is generally advisable for most aircraft unless the manufacturer offers a competitively priced extended warranty with comparable coverage.

#### 2. DOES MABAS PROVIDE INSURANCE?

Yes, MABAS-IL provides insurance for MABAS purchased and owned assets. The MABAS-IL internal insurance policy lists assets that are owned by MABAS-IL and used lawfully and in accordance with MABAS Policy by member agencies on MABAS-IL deployments.

#### 3. WHAT MABAS WILL NOT COVER:

MABAS' Insurance Policy is intended to cover MABAS owned assets during MABAS operations. The following are examples of situations or circumstances in which MABAS would not extend coverage to an aircraft:

- UAS NOT owned by MABAS.
- UAS NOT used for a MABAS deployment.
- UAS used unlawfully, in a negligent manner or in a manner not pursuant to the MABAS UAS Guideline or Policy.