

**FORMS - FILED****FROM:** TRACEY WALLER, CPCU**DECEMBER 5, 2014****COMMERCIAL LIABILITY UMBRELLA  
GENERAL LIABILITY****LI-CU-2014-022  
LI-GL-2014-179**

## **MULTISTATE INTRODUCTION OF UNMANNED AIRCRAFT ENDORSEMENT OPTIONS FILED; IMPLEMENTATION PENDING**

**This circular announces the submission of filings to introduce multistate unmanned aircraft endorsement options.**

### **JURISDICTIONS**

These filings are being submitted in all ISO jurisdictions. Please refer to the ISO Action block for state-specific information.

### **BACKGROUND**

This filing introduces optional endorsements, for use with various liability coverage parts, addressing liability exposures related to unmanned aircraft (commonly referred to as "drones").

### **ISO ACTION**

In forms filing CL-2014-ODNFR, we are introducing the following endorsements which expressly address coverage with respect to unmanned aircraft:

**Commercial General Liability Coverage Part:**

- [CG 21 09 06 15](#) – Exclusion – Unmanned Aircraft
- [CG 21 10 06 15](#) – Exclusion – Unmanned Aircraft (Coverage A Only)
- [CG 21 11 06 15](#) – Exclusion – Unmanned Aircraft (Coverage B Only)
- [CG 24 50 06 15](#) – Limited Coverage For Designated Unmanned Aircraft
- [CG 24 51 06 15](#) – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)
- [CG 24 52 06 15](#) – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)

**Owners And Contractors Protective Liability Coverage Part:**

- [CG 29 60 06 15](#) – Exclusion – Unmanned Aircraft

**Commercial Liability Umbrella Coverage Part:**

- [CU 21 71 06 15](#) – Exclusion – Unmanned Aircraft
- [CU 21 72 06 15](#) – Exclusion – Unmanned Aircraft (Coverage A Only)
- [CU 21 73 06 15](#) – Exclusion – Unmanned Aircraft (Coverage B Only)
- [CU 24 50 06 15](#) – Limited Coverage For Designated Unmanned Aircraft

- [CU 24 51 06 15](#) – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)
- [CU 24 52 06 15](#) – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)

**Commercial Excess Liability Coverage Part:**

- [CX 21 71 06 15](#) – Exclusion – Unmanned Aircraft

In addition, forms filing CL-2014-ODNFR revises the following endorsements:

**Commercial General Liability Coverage Part:**

- CG 21 37 – Exclusion – Employees And Volunteer Workers As Insureds
- CG 21 66 – Exclusion – Volunteer Workers

**Commercial Liability Umbrella Coverage Part:**

- CU 21 05 – Exclusion – Employees And Volunteer Workers As Insureds (revised title reflected)
- CU 21 24 – Exclusion – Non-Owned Aircraft

Refer to the attached explanatory material for complete details about the filing.

In accordance with individual state requirements, and as detailed in the exception **Notes** below, we have submitted, or will submit, the attached multistate material to the respective Insurance Department in each applicable ISO jurisdiction.

**Notes**

In **Louisiana** and **Maryland**, these revisions were submitted as CU-2014-ODNFR and GL-2014-ODNFR due to state filing requirements.

In **Hawaii**, the Commercial Lines filing is being recommended to the Hawaii Insurance Bureau (HIB).

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## PROPOSED EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

**Alabama, Arizona, Arkansas (Commercial General Liability), Delaware, District of Columbia, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey (Commercial General Liability), New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania (Commercial General Liability), Rhode Island (Commercial General Liability), South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming:**

These changes are applicable to all policies written on or after June 1, 2015.

**Alaska, Connecticut, Florida, Louisiana, Maryland, North Carolina and Puerto Rico:**

These changes are applicable to all policies effective on or after June 1, 2015.

**Arkansas (Commercial Liability Umbrella), California, Colorado, Guam, Minnesota, New Jersey (Commercial Liability Umbrella), Pennsylvania (Commercial Liability Umbrella), Rhode Island (Commercial Liability Umbrella), South Carolina, Texas and U.S. Virgin Islands:**

We do not establish an effective date for forms revisions. Each insurer that elects to utilize this revision is responsible for determining its own effective date.

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## IMPACT ON STATISTICAL REPORTING

We are currently reviewing commercial lines statistical plan reporting to develop necessary premium and loss data support for the General Liability and Commercial Umbrella endorsements being introduced in the companion forms filing. We will issue a Statistical Plan Holders circular detailing the revisions in support of the filing, including the addition of Classification Codes, allowing sufficient lead-time to implement these changes.

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## RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

- Additional information will be required from a policyholder to complete schedules on forms.
- A new edition date of existing form numbers is being introduced.
- New forms are being introduced.

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## CAUTION

### California

This filing has **NOT** yet been approved. If you decide to use these forms or endorsements, you may **NOT** do so until or unless they have been approved.

### All other jurisdictions

We are not yet implementing these filings. If you print your own forms, do not go beyond the proof stage until we announce implementation in a subsequent circular.

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## RELATED RULES REVISION

We are announcing in a separate circular the filing of a corresponding rules revision. Please refer to the **Reference(s)** block for identification of that circular.

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## FUTURE ISO ACTION

In future circulars, we will:

- Provide you with state-specific filing material;
- Advise you of the status of these filings; and
- Provide an ISO Statistical Plan Holders circular to address statistical reporting implications.

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## REFERENCE(S)

[LI-CU-2014-023/LI-GL-2014-180](#) (12/05/2014) Multistate Rules Revision To Accommodate New Unmanned Aircraft Endorsements Filed; Implementation Pending

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## **ATTACHMENT(S)**

Filings:

- Commercial Lines Forms Filing [CL-2014-ODNFR](#)
- Commercial Liability Umbrella Forms Filing [CU-2014-ODNFR](#)
- Commercial General Liability Forms Filing [GL-2014-ODNFR](#)

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## **EMERGING ISSUES**

ISO actively pursues emerging issues and long-term trends that may affect the United States and international insurance industry.

Currently available to all ISO participating insurers via ISOnet is the Emerging Issues portal. The portal features in-depth information on a variety of emerging topics of interest to insurance industry professionals. To help you remain up-to-date on important issues, the portal includes Today's Hot Link and a News Feed to highlight new developments. The Emerging Issues portal can be accessed without additional charge by clicking [HERE](#).

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# Unmanned Aircraft Endorsement Options Introduced

## Applicable Lines of Business

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This filing applies to the following lines of business:

- ◆ Commercial General Liability
- ◆ Commercial Liability Umbrella

## About This Filing

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This filing introduces optional endorsements, for use with various liability coverage parts, addressing certain liability exposures related to unmanned aircraft.

## New Forms

We are introducing:

- ◆ CG 21 09 06 15 – Exclusion – Unmanned Aircraft
- ◆ CG 21 10 06 15 – Exclusion – Unmanned Aircraft (Coverage A Only)
- ◆ CG 21 11 06 15 – Exclusion – Unmanned Aircraft (Coverage B Only)
- ◆ CG 24 50 06 15 – Limited Coverage For Designated Unmanned Aircraft
- ◆ CG 24 51 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)
- ◆ CG 24 52 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)
- ◆ CG 29 60 06 15 – Exclusion – Unmanned Aircraft
- ◆ CU 21 71 06 15 – Exclusion – Unmanned Aircraft
- ◆ CU 21 72 06 15 – Exclusion – Unmanned Aircraft (Coverage A Only)
- ◆ CU 21 73 06 15 – Exclusion – Unmanned Aircraft (Coverage B Only)
- ◆ CU 24 50 06 15 – Limited Coverage For Designated Unmanned Aircraft
- ◆ CU 24 51 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)

- ◆ CU 24 52 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)
- ◆ CX 21 71 06 15 – Exclusion – Unmanned Aircraft

## Revised Forms

We are revising:

- ◆ CG 21 37 10 01 – Exclusion – Employees And Volunteer Workers As Insureds
- ◆ CG 21 66 04 13 – Exclusion – Volunteer Workers
- ◆ CU 21 05 09 00 – Exclusion – Employees And Volunteer Workers As Insureds (formerly Exclusion – Employees As Insureds)
- ◆ CU 21 24 12 07 – Exclusion – Non-Owned Aircraft

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the above-referenced editions to the 06 15 editions. Concurrent with implementation, the 06 15 editions will supersede the prior editions.

## Related Filing(s)

CL-2014-ODNRU (Rules)

## Background

### Unmanned Aircraft

Unmanned aircraft (commonly referred to as "drones") have been used extensively in military operations, however drone use in connection with various commercial operations is expected to rise.

The FAA Modernization and Reform Act of 2012 (Act), in Section 331, defines an "unmanned aircraft" (UA) as "an aircraft that is operated without a possibility of direct human intervention from within or on the aircraft."

Section 332 of the Act, in part, directs the Federal Aviation Administration (FAA) to develop a plan by September 30, 2015 to safely integrate civil drones into the U.S. airspace system. The FAA has separately estimated that about 7,500 commercial drones could be in use within five years of the new rules. However, prior to finalizing such plan, the FAA has been granting permission to certain entities to use drones in their current operations.

To date, exceptions have reportedly been granted with respect to various types of entities and operations, including search and rescue, colleges and schools,

and manufacturers of drones. The FAA also recently announced it has authorized six film and television production companies to use drones as a part of their operations.

In addition, other reported uses for drones include the following:

- **Agriculture** – Use by farmers to capture aerial images which help assess crop health.
- **Inspection** – To inspect structures for damage and other hazards, especially in areas that are difficult to access.
- **Weather And Environmental Data Collection** – To collect weather data, including real-time collection of data from within hurricanes and tornadoes.

Certain companies are expecting to use drones for the following:

- **Package Delivery** – Several major companies are reportedly testing drone technology for the purpose of delivering packages.
- **Providing web access** – One company is reportedly working to develop solar-powered drones which would provide global web access.

### Aircraft Provisions In Certain ISO Liability Policies

The ISO Commercial General Liability (CGL) and Commercial Liability Umbrella (CLU) coverage forms include several provisions that expressly address aircraft. With regard to Coverage A – Bodily Injury And Property Damage Liability, the Aircraft, Auto Or Watercraft exclusion in the CGL Coverage Form and the Aircraft Or Watercraft exclusion in the CLU Coverage Form preclude, in part, bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Currently, Coverage B – Personal And Advertising Injury Liability does not contain an exclusion explicitly addressing aircraft under either coverage form.

The ISO Commercial Excess Liability (CX) Coverage Form generally provides follow-form coverage and specifies that the insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable controlling underlying insurance unless otherwise directed by the CX Coverage Part. The ISO CX Coverage Form itself does not contain an exclusion expressly addressing aircraft.

## **Explanation of Changes**

We are introducing several optional endorsements to enhance the underwriting flexibility in addressing drone-related liability exposures under ISO's Commercial General Liability Coverage Part, Owners And Contractors Protective Liability Coverage Part, Commercial Liability Umbrella Coverage Part and Commercial Excess Liability Coverage Part. We have developed several options, including those to exclude certain liability not otherwise precluded by the policy with respect to any unmanned aircraft and those to provide an exception for designated unmanned aircraft, but only with respect to designated operations or projects. Each endorsement contains a new defined term, "unmanned aircraft." As used in the endorsements, "unmanned aircraft" means an aircraft that is not designed, manufactured or modified after manufacture to be controlled directly by a person from within or on the aircraft.

### **Commercial General Liability Coverage Part**

The following endorsements are being introduced for use with the Commercial General Liability Coverage Part:

#### **Unmanned Aircraft Exclusion Endorsements**

##### **♦ CG 21 09 – Exclusion – Unmanned Aircraft**

This endorsement expressly excludes bodily injury, property damage and personal and advertising injury arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft.

With respect to Coverage A – Bodily Injury And Property Damage Liability, the endorsement replaces and bifurcates Exclusion g. Aircraft, Auto Or Watercraft as follows:

- New Paragraph g.(1) Unmanned Aircraft provides, in part, that coverage does not apply to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. Unlike Exclusion g. in the CGL Coverage Form, Exclusion g.(1) Unmanned Aircraft does not contain limiting language concerning any aircraft owned or operated by or rented or loaned to *any insured*, nor does it contain an exception with respect to liability assumed under any insured contract for the ownership, maintenance or use of aircraft.
- Paragraph g.(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft generally tracks the current Aircraft, Auto Or Watercraft exclusion contained in the CGL, but newly excepts out unmanned aircraft from the exclusionary reference to aircraft since unmanned aircraft is addressed under new paragraph g.(1).

With respect to Coverage B – Personal And Advertising Injury Liability, this endorsement introduces an Unmanned Aircraft exclusion. This exclusion provides, in part, that the insurance does not apply to personal and advertising injury arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. In addition, this Coverage B exclusion contains exceptions indicating that it does not apply to certain personal and advertising injury offenses such as the use of another's advertising idea in the named insured's advertisement or infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

◆ **CG 21 10 – Exclusion – Unmanned Aircraft (Coverage A Only)**

This endorsement expressly excludes bodily injury and property damage liability arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. The endorsement employs the same bifurcated approach and contains identical language with respect to Coverage A as endorsement CG 21 09. This endorsement differs from CG 21 09 in that it does not address Coverage B. When this endorsement is attached, Coverage B will remain unmodified with respect to unmanned aircraft.

◆ **CG 21 11 – Exclusion – Unmanned Aircraft (Coverage B Only)**

This endorsement expressly excludes personal and advertising injury liability arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. This endorsement contains identical language with respect to Coverage B as endorsement CG 21 09. This endorsement differs from CG 21 09 in that it does not address Coverage A. When this endorsement is attached, Coverage A with respect to unmanned aircraft will remain unchanged under the unmodified and applicable Aircraft, Auto Or Watercraft exclusion contained in the CGL.

## Designated Unmanned Aircraft Coverage Endorsements

◆ **CG 24 50 – Limited Coverage For Designated Unmanned Aircraft**

This endorsement expressly excludes bodily injury, property damage and personal and advertising injury liability with respect to any unmanned aircraft in a similar manner to CG 21 09. However, this endorsement provides exceptions to the exclusions for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement.

This endorsement allows for entry of an optional Unmanned Aircraft Liability Aggregate Limit in the Schedule. If a limit is entered in the Schedule, any coverage provided under the endorsement with respect to Coverage A (bodily

injury and property damage), Coverage B (personal and advertising injury) and Coverage C (medical payments) will be subject to that aggregate limit. The Unmanned Aircraft Liability Aggregate Limit is subject to the policy's General Aggregate Limit or Products/Completed Operations Aggregate Limit, whichever applies. In addition, the Each Occurrence Limit, Personal And Advertising Injury Limit, Damage To Premises Rented To You Limit and Medical Expense Limit continue to apply, but only if, and to the extent that, a limit of insurance is available under the Unmanned Aircraft Liability Aggregate Limit.

◆ **CG 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

This endorsement is similar to CG 24 50, except that it does not address Coverage B. As such, it provides exceptions to the Coverage A exclusion for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement. It also contains an optional Coverage A Unmanned Aircraft Liability Aggregate Limit that applies in a similar manner to the Unmanned Aircraft Liability Aggregate Limit contained in endorsement CG 24 50, but does not apply with respect to Coverage B.

◆ **CG 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

This endorsement is similar to CG 24 50, except that it does not address Coverage A. As such, it expressly excludes personal and advertising injury liability with respect to any unmanned aircraft, but provides exceptions to the exclusion for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement. It also contains an optional Coverage B Unmanned Aircraft Liability Aggregate Limit that applies in a similar manner to the Unmanned Aircraft Liability Aggregate Limit contained in endorsement CG 24 50, but does not apply with respect to Coverage A.

We are revising the following endorsements applicable to the Commercial General Liability Coverage Part:

◆ **CG 21 37 – Exclusion – Employees And Volunteer Workers As Insureds**

This endorsement currently replaces Exclusion g. in the CGL, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion g. is also attached to the policy. Specifically, we are:

- Introducing a new Paragraph A. providing that if CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the policy, an exclusion with respect to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than unmanned aircraft), auto or watercraft operated by any employee or volunteer worker is added to Paragraph 2. Exclusions under Coverage A. This exclusion contains exceptions similar to those contained in Paragraph B.
- Revising Paragraph B. to:
  - ◊ Provide that if Paragraph A. does not apply, Exclusion g. will be replaced as described in Paragraph B.
  - ◊ Expressly address employees and volunteer workers in the language that reinforces, in part, that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.
  - ◊ Revise subparagraph (5) to address the operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, in order to track more closely with the corresponding provisions in the coverage form.
- Replacing Exclusion 2.a. Any Insured under Coverage C – Medical Payments in order to remove reference to volunteer workers.
- Replacing Paragraph 2.b. of Section II – Who Is An Insured in order to remove reference to employees and volunteer workers.
- Making editorial revisions.

◆ **CG 21 66 – Exclusion – Volunteer Workers**

This endorsement currently replaces Exclusion g. in the CGL, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion g. is also attached to the policy. Specifically, we are:

- Introducing a new Paragraph A. providing that if CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the policy, an exclusion with respect to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than unmanned aircraft), auto or watercraft operated by any volunteer worker is added to Paragraph 2. Exclusions under Coverage A. This exclusion contains exceptions similar to those contained in Paragraph B.
- Revising Paragraph B. to:
  - ◊ Provide that if Paragraph A. does not apply, Exclusion g. will be replaced as described in Paragraph B.
  - ◊ Expressly address volunteer workers in the language that reinforces, in part, that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.
- Making various editorial revisions.

**Owners And Contractors Protective Liability Coverage Part**

We are introducing endorsement CG 29 60 – Exclusion – Unmanned Aircraft for use with the Owners And Contractors Protective Liability (OCP) Coverage Part. The OCP Coverage Form generally affords protection with respect to liability for bodily injury or property damage arising out of operations performed for the insured by an independent contractor(s) whether the insured is an owner of property or is another contractor. The OCP currently does not contain an exclusion expressly addressing aircraft. Endorsement CG 29 60 introduces an unmanned aircraft exclusion, similar to that provided under Paragraph g.(1) of CG 21 10 – Exclusion – Unmanned Aircraft (Coverage A Only). Unlike CG 21 10, CG 29 60 does not address autos, watercraft or other aircraft that are not unmanned aircraft. In addition, CG 29 60 adds a definition for the term *loading or unloading* but only for the purposes of this exclusion.

## Commercial Liability Umbrella Coverage Part

We are introducing the following endorsements for use with the Commercial Liability Umbrella Coverage Part:

◆ **CU 21 71 – Exclusion – Unmanned Aircraft**

This endorsement is similar to CG 21 09 described above.

◆ **CU 21 72 – Exclusion – Unmanned Aircraft (Coverage A Only)**

This endorsement is similar to CG 21 10 described above.

◆ **CU 21 73 – Exclusion – Unmanned Aircraft (Coverage B Only)**

This endorsement is similar to CG 21 11 described above.

◆ **CU 24 50 – Limited Coverage For Designated Unmanned Aircraft**

This endorsement is similar to CG 24 50 described above, except that it does not contain a designated aggregate limit option.

◆ **CU 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

This endorsement is similar to CG 24 51 described above, except that it does not contain a designated aggregate limit option.

◆ **CU 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

This endorsement is similar to CG 24 52 described above, except that it does not contain a designated aggregate limit option.

We are revising the following endorsements for use with the Commercial Liability Umbrella Coverage Part:

◆ **CU 21 05 – Exclusion – Employees And Volunteer Workers As Insureds**

This endorsement currently replaces Exclusion j. in the CLU, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion j. is also attached to the policy. Similar to the revisions to endorsement CG 21 37, where applicable, we are:

- Introducing a new Paragraph A. providing that if CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the policy, an exclusion with respect to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than unmanned aircraft), or watercraft operated by any employee or volunteer worker is added to

Paragraph 2. Exclusions under Coverage A. This exclusion contains exceptions similar to those contained in Paragraph B.

- Revising Paragraph B. to:
  - ◊ Provide that if Paragraph A. does not apply, Exclusion j. will be replaced as described in Paragraph B.
  - ◊ Provide that the insurance does not apply with respect to aircraft or watercraft operated by a volunteer worker.
  - ◊ Expressly state that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.
  - ◊ Revise Paragraph j.(4) to more closely track the corresponding provisions in the CLU.
- Replacing Paragraph 1.b.(2) of Section II – Who Is An Insured in order to remove reference to employees and volunteer workers.
- Updating the title of the endorsement to reference volunteer workers.
- Making various editorial revisions.

♦ **CU 21 24 – Exclusion – Non-Owned Aircraft**

This endorsement currently replaces Exclusion j. in the CLU, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion j. is also attached to the policy.

Specifically, we are:

- Introducing a new Paragraph A. providing that if CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the policy, an exception to Exclusion j. addressing certain nonowned aircraft does not apply. With the addition of this new Paragraph A., the first paragraph in the current edition of the endorsement will be designated as Paragraph B.
- Revising Paragraph B. of this endorsement to provide that, if Paragraph A. does not apply, exception (5) to Exclusion j. addressing certain nonowned aircraft does not apply, in lieu of replacing Exclusion j. of the CLU.

## Commercial Excess Liability Coverage Part

We are introducing the following endorsement for use with the Commercial Excess Liability Coverage Part:

◆ **CX 21 71 – Exclusion – Unmanned Aircraft**

This endorsement expressly excludes injury or damage arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. In addition, this endorsement adds a definition for the term *loading or unloading* but only for the purposes of this exclusion. The endorsement also contains language reinforcing, in part, that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

## **Impact**

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### Commercial General Liability Coverage Part

**CG 21 09 – Exclusion – Unmanned Aircraft**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

In addition, to the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CG 21 10 – Exclusion – Unmanned Aircraft (Coverage A Only)**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or

- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;  
the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

**CG 21 11 – Exclusion – Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CG 21 37 – Exclusion – Employees And Volunteer Workers As Insureds**

With respect to policies to which the previous edition of this form is attached, the attachment of this endorsement will result in a broadening of coverage with respect to:

- ◆ An employee's or volunteer worker's operation of certain machinery or equipment that would qualify under the definition of mobile equipment if it were not subject certain motor vehicle insurance laws; and
- ◆ An employee or volunteer worker acting as the named insured's real estate manager.

**CG 21 66 – Exclusion – Volunteer Workers**

There is no impact on coverage as a result of the revisions made to this endorsement.

**CG 24 50 – Limited Coverage For Designated Unmanned Aircraft**

The attachment of this endorsement will result in a broadening of bodily injury and property damage coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not**

designated in the Schedule of the endorsement, with respect to designated operations or projects.

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CG 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

The attachment of this endorsement will result in a broadening of coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

**CG 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**Owners And Contractors Protective Liability Coverage Part**

**CG 29 60 – Exclusion – Unmanned Aircraft**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in coverage.

## Commercial Liability Umbrella Coverage Part

### **CU 21 05 – Exclusion – Employees And Volunteer Workers As Insureds**

With respect to policies to which the previous edition of this form is attached, this revision will result in a reduction in bodily injury and property damage coverage with respect to the ownership, maintenance or use of any aircraft or watercraft operated by a volunteer worker in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. The attachment of this endorsement will result in a broadening of coverage with respect to an employee or volunteer worker acting as the named insured's real estate manager.

### **CU 21 24 – Exclusion – Non-Owned Aircraft**

There is no impact on coverage as a result of the revisions made to this endorsement.

### **CU 21 71 – Exclusion – Unmanned Aircraft**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

In addition, to the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

### **CU 21 72 – Exclusion – Unmanned Aircraft (Coverage A Only)**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;

- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

#### **CU 21 73 – Exclusion – Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

#### **CU 24 50 – Limited Coverage For Designated Unmanned Aircraft**

The attachment of this endorsement will result in a broadening of bodily injury and property damage coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CU 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

The attachment of this endorsement will result in a broadening of bodily injury and property damage coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

**CU 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**Commercial Excess Liability Coverage Part**

**CX 21 71 – Exclusion – Unmanned Aircraft**

To the extent that an exposure exists with respect to unmanned aircraft and that exposure is **not** excluded under the controlling underlying insurance, the attachment of this endorsement will result in a reduction in coverage. There is no impact on coverage if unmanned aircraft **are** excluded under the controlling underlying insurance and this endorsement is attached to the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### 2. Exclusions

This insurance does not apply to:

##### g. Aircraft, Auto Or Watercraft

###### (1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### (2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

**(e)** "Bodily injury" or "property damage" arising out of:

- (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** The following exclusion is added to Paragraph **2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

## 2. Exclusions

This insurance does not apply to:

### Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement"; or
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**C.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **g. Aircraft, Auto Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### **(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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**(e)** "Bodily injury" or "property damage" arising out of:

- (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And  
Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

**a. The use of another's advertising idea in your "advertisement"; or**

**b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".**

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – EMPLOYEES AND VOLUNTEER WORKERS AS INSUREDS

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Paragraph 2.a. of Section II – Who Is An Insured**  
does not apply.

**A. If Endorsement CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the Policy, the following exclusion is added to Paragraph 2. Exclusions under Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

#### **Employees And Volunteer Workers**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

**1. A watercraft while ashore on premises you own or rent;**

**2. A watercraft you do not own that is:**

**a. Less than 26 feet long; and**

**b. Not being used to carry persons or property for a charge;**

**3. Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "employees" or "volunteer workers" or any "employee" or "volunteer worker" of the insured;**

**4. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or**

**5. "Bodily injury" or "property damage" arising out of:**

**a. The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or**

**b. The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".**

**B. If Paragraph A. does not apply, Exclusion 2.g. Aircraft, Auto Or Watercraft under Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following: is amended as follows:**

**4. Paragraph g. is replaced by the following:**

This insurance does not apply to:

#### **g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft:

**(1) Owned or operated by or rented or loaned to any insured; or**

**(2) Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.**

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against ~~the~~any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;:
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "employees" or "volunteer workers" or any "employee" or "volunteer worker" of the insured;:
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**C. Paragraph 2.a. of Section I – Coverage C – Medical Payments is replaced by the following:**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured.

**D. Paragraph 2.a. of Section II – Who Is An Insured does not apply.**

**E. Paragraph 2.b. of Section II – Who Is An Insured is replaced by the following:**

**b. Any person or any organization while acting as your real estate manager.**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – VOLUNTEER WORKERS

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Paragraph 2.a. Exclusions of Section I – Coverage C – Medical Payments is replaced by the following:

We will not pay expenses for "bodily injury":

- a. To any insured.

A. If Endorsement CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the Policy, the following exclusion is added to Paragraph 2. Exclusions under Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

#### Volunteer Workers

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft operated by any "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is operated by any "volunteer worker".

This exclusion does not apply to:

1. A watercraft while ashore on premises you own or rent;
2. A watercraft you do not own that is:
  - a. Less than 26 feet long; and
  - b. Not being used to carry persons or property for a charge;

3. Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "volunteer workers" or any "volunteer worker" of the insured;

4. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

5. "Bodily injury" or "property damage" arising out of:

a. The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

b. The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

B. If Paragraph A. does not apply, Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

#### g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft:

- (1) Owned or operated by or rented or loaned to any insured; or
- (2) Operated by any "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against ~~the any insured~~ allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "volunteer worker".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "volunteer workers" or any "volunteer workers" of the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
  - (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**C. Paragraph 2.a. of Section I – Coverage C – Medical Payments** is replaced by the following:

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured.

**CD.**Paragraphs 2.a. and 2.b. of **Section II – Who Is An Insured** are replaced by the following:

2. Each of the following is also an insured:
  - a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
    - (1) "Bodily injury" or "personal and advertising injury":
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" or while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (1)(a) above;
      - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
      - (d) Arising out of his or her providing or failing to provide professional health care services.
    - (2) "Property damage" to property:
      - (a) Owned, occupied or used by;
      - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by:  
you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### SCHEDULE

Description Of Unmanned Aircraft
Description Of Operation(s) Or Project(s)
Limit Of Insurance
<b>Unmanned Aircraft Liability Aggregate Limit: \$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **g. Aircraft, Auto Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **g.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

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**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e)** "Bodily injury" or "property damage" arising out of:
  - (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

**(ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement";
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- c.** "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**C. If an Unmanned Aircraft Liability Aggregate Limit is shown in the Schedule, the following provisions are added to Section III – Limits Of Insurance:**

- 1.** Subject to Paragraph 2. or 3. of **Section III – Limits Of Insurance**, whichever applies, the Unmanned Aircraft Liability Aggregate Limit shown in the Schedule is the most we will pay for the sum of:

- a.** Damages under Coverage **A**;
- b.** Damages under Coverage **B**; and
- c.** Medical expenses under Coverage **C**;

because of all "bodily injury", "property damage" and "personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

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2. Paragraph 4., the Personal And Advertising Injury Limit, Paragraph 5., the Each Occurrence Limit, Paragraph 6., the Damage To Premises Rented To You Limit, and Paragraph 7., the Medical Expense Limit, of **Section III – Limits Of Insurance** continue to apply to "bodily injury", "property damage" and "personal and advertising injury", as applicable, arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft" but only if, and to the extent that, a limit of insurance is available under the Unmanned Aircraft Liability Aggregate Limit.

D. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>
<b>Limit Of Insurance</b>
<b>Coverage A Unmanned Aircraft Liability Aggregate Limit: \$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **g. Aircraft, Auto Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **g.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e)** "Bodily injury" or "property damage" arising out of:
  - (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

**(ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** If a Coverage **A** Unmanned Aircraft Liability Aggregate Limit is shown in the Schedule, the following provisions are added to **Section III – Limits Of Insurance**:

- 1. Subject to Paragraph **2.** or **3.** of **Section III – Limits Of Insurance**, whichever applies, the Coverage **A** Unmanned Aircraft Liability Aggregate Limit shown in the Schedule is the most we will pay for the sum of:
  - a.** Damages under Coverage **A**; and
  - b.** Medical expenses under Coverage **C**;because of all "bodily injury" and "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".
- 2. Paragraph **5.**, the Each Occurrence Limit, Paragraph **6.**, the Damage To Premises Rented To You Limit, and Paragraph **7.**, the Medical Expense Limit, of **Section III – Limits Of Insurance** continue to apply to "bodily injury" and "property damage", as applicable, arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft" but only if, and to the extent that, a limit of insurance is available under the Coverage **A** Unmanned Aircraft Liability Aggregate Limit.

**C.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE B ONLY)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

Description Of Unmanned Aircraft
Description Of Operation(s) Or Project(s)
Limit Of Insurance
<b>Coverage B Unmanned Aircraft Liability Aggregate Limit: \$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following exclusion is added to Paragraph 2.  
**Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement";

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- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - c. "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.
- B. If a Coverage **B** Unmanned Aircraft Liability Aggregate Limit is shown in the Schedule, the following provisions are added to **Section III – Limits Of Insurance**:
  1. Subject to Paragraph **2.** of Section **III – Limits Of Insurance**, the Coverage **B** Unmanned Aircraft Liability Aggregate Limit shown in the Schedule is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".
- 2. Paragraph **4.**, the **Personal And Advertising Injury Limit**, of **Section III – Limits Of Insurance** continues to apply to "personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft" but only if, and to the extent that, a limit of insurance is available under the Coverage **B** Unmanned Aircraft Liability Aggregate Limit.
- C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

  1. Designed;
  2. Manufactured; or
  3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

### OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph 2, **Exclusions of Section I – Coverages** and supersedes any other provision to the contrary:

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

As used in this exclusion, loading or unloading means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an "unmanned aircraft";
- b.** While it is in or on an "unmanned aircraft"; or
- c.** While it is being moved from an "unmanned aircraft" to the place where it is finally delivered;

but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "unmanned aircraft".

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – EMPLOYEES AND VOLUNTEER WORKERS AS INSURED

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. Paragraph 1.b.(1) of Section II – Who Is An Insured** does not apply.

**A. If Endorsement CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the Policy, the following exclusion is added to Paragraph 2. Exclusions under Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

#### **Employees And Volunteer Workers**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

**1. A watercraft while ashore on premises you own or rent;**

**2. A watercraft you do not own that is:**

**a. Less than 50 feet long; and**

**b. Not being used to carry persons or property for a charge;**

**3. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;**

**4. The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or**

**5. Aircraft that is:**

**a. Chartered by, loaned to, or hired by you with a paid crew; and**

**b. Not owned by any insured.**

**B. If Paragraph A. does not apply, Exclusion 2.j., Aircraft Or Watercraft under Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is amended as follows replaced by the following:**

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft:

**(1) Owned or operated by or rented or loaned to any insured; or**

**(2) Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.**

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 50 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; ±

— (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above Coverage provided will follow the same provisions, exclusions and limitations of that are contained in the applicable "underlying insurance" ± unless otherwise directed by this insurance; or

(5) Aircraft that is:

- (a) ~~e~~Chartered by, loaned to, or hired by you with a paid crew; and
- (b) ~~±~~Not owned by any insured.

C. Paragraph 1.b.(1) of Section II – Who Is An Insured does not apply.

D. Paragraph 1.b.(2) of Section II – Who Is An Insured is replaced by the following:

- (2) Any person or any organization while acting as your real estate manager.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – NON-OWNED AIRCRAFT

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. If Endorsement CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the Policy, Paragraph A.2.i.(2)(e) of Endorsement CU 21 71, CU 21 72, CU 24 50 or CU 24 51, whichever is attached, does not apply.

B. If Paragraph A. does not apply, Paragraph (j)(5) Exclusion j. of under Paragraph 2, Exclusions of under Section I – Coverage A – Bodily Injury And Property Damage Liability does not apply, is replaced by the following:

j. Aircraft Or Watercraft

~~"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".~~

~~This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.~~

This exclusion does not apply to:

- ~~(1) A watercraft while ashore on premises you own or rent;~~
- ~~(2) A watercraft you do not own that is:~~
  - ~~(a) Less than 50 feet long; and~~
  - ~~(b) Not being used to carry persons or property for a charge;~~
- ~~(3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or~~
- ~~(4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.~~

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A. Exclusion 2.j. Aircraft Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph j.(1) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### **(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph j.(2) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph j.(2) does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph j.(2) exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph j.(2) will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

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**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B.** The following exclusion is added to Paragraph 2.

**Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement"; or
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**C.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A. Exclusion 2.j. Aircraft Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph j.(1) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### **(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph j.(2) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph j.(2) does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph j.(2) exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph j.(2) will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And  
Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or**
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".**

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

### **SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.j. Aircraft Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **j.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement";
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- c.** "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**C. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

### **SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **j.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

**(d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

#### SCHEDULE

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And  
Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement";
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- c.** "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL EXCESS COVERAGE PART**

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Section I – Coverages:**

**2. Exclusions**

Insurance provided under this Coverage Part does not apply to:

**Unmanned Aircraft**

"Injury or damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "event" which caused the "injury or damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

As used in this exclusion, loading or unloading means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an "unmanned aircraft";
- b.** While it is in or on an "unmanned aircraft"; or
- c.** While it is being moved from an "unmanned aircraft" to the place where it is finally delivered;

but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "unmanned aircraft".

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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# Unmanned Aircraft Endorsement Options Introduced

## About This Filing

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This filing introduces optional endorsements, for use with the Commercial Liability Umbrella and Commercial Excess Liability Coverage Parts, addressing certain liability exposures related to unmanned aircraft.

## New Forms

We are introducing:

- ◆ CU 21 71 06 15 – Exclusion – Unmanned Aircraft
- ◆ CU 21 72 06 15 – Exclusion – Unmanned Aircraft (Coverage A Only)
- ◆ CU 21 73 06 15 – Exclusion – Unmanned Aircraft (Coverage B Only)
- ◆ CU 24 50 06 15 – Limited Coverage For Designated Unmanned Aircraft
- ◆ CU 24 51 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)
- ◆ CU 24 52 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)
- ◆ CX 21 71 06 15 – Exclusion – Unmanned Aircraft

## Revised Forms

We are revising:

- ◆ CU 21 05 09 00 – Exclusion – Employees And Volunteer Workers As Insureds (formerly Exclusion – Employees As Insureds)
- ◆ CU 21 24 12 07 – Exclusion – Non-Owned Aircraft

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the above-referenced editions to the 06 15 editions. Concurrent with implementation, the 06 15 editions will supersede the prior editions.

## Related Filing(s)

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CU-2014-ODNRU (Rules)

## Background

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### Unmanned Aircraft

Unmanned aircraft (commonly referred to as "drones") have been used extensively in military operations, however drone use in connection with various commercial operations is expected to rise.

The FAA Modernization and Reform Act of 2012 (Act), in Section 331, defines an "unmanned aircraft" (UA) as "an aircraft that is operated without a possibility of direct human intervention from within or on the aircraft."

Section 332 of the Act, in part, directs the Federal Aviation Administration (FAA) to develop a plan by September 30, 2015 to safely integrate civil drones into the U.S. airspace system. The FAA has separately estimated that about 7,500 commercial drones could be in use within five years of the new rules. However, prior to finalizing such plan, the FAA has been granting permission to certain entities to use drones in their current operations.

To date, exceptions have reportedly been granted with respect to various types of entities and operations, including search and rescue, colleges and schools, and manufacturers of drones. The FAA also recently announced it has authorized six film and television production companies to use drones as a part of their operations.

In addition, other reported uses for drones include the following:

- **Agriculture** – Use by farmers to capture aerial images which help assess crop health.
- **Inspection** – To inspect structures for damage and other hazards, especially in areas that are difficult to access.
- **Weather And Environmental Data Collection** – To collect weather data, including real-time collection of data from within hurricanes and tornadoes.

Certain companies are expecting to use drones for the following:

- **Package Delivery** – Several major companies are reportedly testing drone technology for the purpose of delivering packages.
- **Providing web access** – One company is reportedly working to develop solar-powered drones which would provide global web access.

### Aircraft Provisions In Certain ISO Liability Policies

The ISO Commercial Liability Umbrella (CLU) Coverage Form includes several provisions that expressly address aircraft. With regard to Coverage A – Bodily Injury And Property Damage Liability, the Aircraft Or Watercraft exclusion precludes, in part, bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Currently, Coverage B – Personal And Advertising Injury Liability does not contain an exclusion explicitly addressing aircraft.

The ISO Commercial Excess Liability (CX) Coverage Form generally provides follow-form coverage and specifies that the insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable controlling underlying insurance unless otherwise directed by the CX Coverage Part. The ISO CX Coverage Form itself does not contain an exclusion expressly addressing aircraft.

## **Explanation of Changes**

We are introducing several optional endorsements to enhance the underwriting flexibility in addressing drone-related liability exposures under ISO's Commercial Liability Umbrella Coverage Part and Commercial Excess Liability Coverage Part. We have developed several options, including those to exclude certain liability not otherwise precluded by the policy with respect to any unmanned aircraft and those to provide an exception for designated unmanned aircraft, but only with respect to designated operations or projects. Each endorsement contains a new defined term, "unmanned aircraft." As used in the endorsements, "unmanned aircraft" means an aircraft that is not designed, manufactured or modified after manufacture to be controlled directly by a person from within or on the aircraft.

## Commercial Liability Umbrella Coverage Part

We are introducing the following endorsements for use with the Commercial Liability Umbrella Coverage Part:

### Unmanned Aircraft Exclusion Endorsements

#### ♦ CU 21 71 – Exclusion – Unmanned Aircraft

This endorsement expressly excludes bodily injury, property damage and personal and advertising injury arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft.

With respect to Coverage A – Bodily Injury And Property Damage Liability, the endorsement replaces and bifurcates Exclusion j. Aircraft Or Watercraft as follows:

- New Paragraph j.(1) Unmanned Aircraft provides, in part, that coverage does not apply to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. Unlike Exclusion j. in the CLU Coverage Form, Exclusion j.(1) Unmanned Aircraft does not contain limiting language concerning any aircraft owned or operated by or rented or loaned to *any insured*, nor does it contain exceptions with respect to liability assumed under any insured contract for the ownership, maintenance or use of aircraft; aircraft risks for which valid underlying insurance exists or would have existed but for the exhaustion of underlying limits; or certain nonowned aircraft.
- Paragraph j.(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft generally tracks the current Aircraft Or Watercraft exclusion contained in the CLU, but newly excepts out unmanned aircraft from the exclusionary reference to aircraft since unmanned aircraft is addressed under new Paragraph j.(1).

With respect to Coverage B – Personal And Advertising Injury Liability, this endorsement introduces an Unmanned Aircraft exclusion. This exclusion provides, in part, that the insurance does not apply to personal and advertising injury arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. In addition, this Coverage B exclusion contains exceptions indicating that it does not apply to certain personal and advertising injury offenses such as the use of another's advertising idea in the named insured's advertisement or infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

◆ **CU 21 72 – Exclusion – Unmanned Aircraft (Coverage A Only)**

This endorsement expressly excludes bodily injury and property damage liability arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. The endorsement employs the same bifurcated approach and contains identical language with respect to Coverage A as endorsement CU 21 71. This endorsement differs from CU 21 71 in that it does not address Coverage B. When this endorsement is attached, Coverage B will remain unmodified with respect to unmanned aircraft.

◆ **CU 21 73 – Exclusion – Unmanned Aircraft (Coverage B Only)**

This endorsement expressly excludes personal and advertising injury liability arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. This endorsement contains identical language with respect to Coverage B as endorsement CU 21 71. This endorsement differs from CU 21 71 in that it does not address Coverage A. When this endorsement is attached, Coverage A with respect to unmanned aircraft will remain unchanged under the unmodified and applicable Aircraft Or Watercraft exclusion contained in the CLU.

### Designated Unmanned Aircraft Coverage Endorsements

◆ **CU 24 50 – Limited Coverage For Designated Unmanned Aircraft**

This endorsement expressly excludes bodily injury, property damage and personal and advertising injury liability with respect to any unmanned aircraft in a similar manner to CU 21 71. However, this endorsement provides exceptions to the exclusions for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement.

◆ **CU 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

This endorsement is similar to CU 24 50, except that it does not address Coverage B. As such, it provides exceptions to the Coverage A exclusion for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement.

◆ **CU 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

This endorsement is similar to CU 24 50, except that it does not address Coverage A. As such, it expressly excludes personal and advertising injury liability with respect to any unmanned aircraft, but provides exceptions to the

exclusion for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement.

We are revising the following endorsements for use with the Commercial Liability Umbrella Coverage Part:

♦ **CU 21 05 – Exclusion – Employees And Volunteer Workers As Insureds**

This endorsement currently replaces Exclusion j. in the CLU, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion j. is also attached to the policy. Specifically, we are:

- Introducing a new Paragraph A. providing that if CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the policy, an exclusion with respect to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than unmanned aircraft), or watercraft operated by any employee or volunteer worker is added to Paragraph 2. Exclusions under Coverage A. This exclusion contains exceptions similar to those contained in Paragraph B.
- Revising Paragraph B. to:
  - ◊ Provide that if Paragraph A. does not apply, Exclusion j. will be replaced as described in Paragraph B.
  - ◊ Provide that the insurance does not apply with respect to aircraft or watercraft operated by a volunteer worker.
  - ◊ Expressly state that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.
  - ◊ Revise Paragraph j.(4) to more closely track the corresponding provisions in the CLU.
- Replacing Paragraph 1.b.(2) of Section II – Who Is An Insured in order to remove reference to employees and volunteer workers.
- Updating the title of the endorsement to reference volunteer workers.
- Making various editorial revisions.

♦ **CU 21 24 – Exclusion – Non-Owned Aircraft**

This endorsement currently replaces Exclusion j. in the CLU, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion j. is also attached to the policy. Specifically, we are:

- Introducing a new Paragraph A. providing that if CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the policy, an exception to Exclusion j. addressing certain nonowned aircraft does not apply. With the addition of this new Paragraph A., the first paragraph in the current edition of the endorsement will be designated as Paragraph B.
- Revising Paragraph B. of this endorsement to provide that, if Paragraph A. does not apply, exception (5) to Exclusion j. addressing certain nonowned aircraft does not apply, in lieu of replacing Exclusion j. of the CLU.

**Commercial Excess Liability Coverage Part**

We are introducing the following endorsement for use with the Commercial Excess Liability Coverage Part:

♦ **CX 21 71 – Exclusion – Unmanned Aircraft**

This endorsement expressly excludes injury or damage arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. In addition, this endorsement adds a definition for the term *loading or unloading* but only for the purposes of this exclusion. The endorsement also contains language reinforcing, in part, that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

**Impact**

**Commercial Liability Umbrella Coverage Part**

**CU 21 05 – Exclusion – Employees And Volunteer Workers As Insureds**

With respect to policies to which the previous edition of this form is attached, this revision will result in a reduction in bodily injury and property damage coverage with respect to the ownership, maintenance or use of any aircraft or watercraft operated by a volunteer worker in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. The attachment of this endorsement will result in a broadening of coverage with respect to an employee or volunteer worker acting as the named insured's real estate manager.

**CU 21 24 – Exclusion – Non-Owned Aircraft**

There is no impact on coverage as a result of the revisions made to this endorsement.

**CU 21 71 – Exclusion – Unmanned Aircraft**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

In addition, to the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CU 21 72 – Exclusion – Unmanned Aircraft (Coverage A Only)**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

**CU 21 73 – Exclusion – Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CU 24 50 – Limited Coverage For Designated Unmanned Aircraft**

The attachment of this endorsement will result in a broadening of bodily injury and property damage coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CU 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

The attachment of this endorsement will result in a broadening of bodily injury and property damage coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured;
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft; or
- ◆ Valid underlying insurance for the unmanned aircraft exists or would have existed but for the exhaustion of underlying limits;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

**CU 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**Commercial Excess Liability Coverage Part**

**CX 21 71 – Exclusion – Unmanned Aircraft**

To the extent that an exposure exists with respect to unmanned aircraft and that exposure is **not** excluded under the controlling underlying insurance, the attachment of this endorsement will result in a reduction in coverage. There is no impact on coverage if unmanned aircraft **are** excluded under the controlling underlying insurance and this endorsement is attached to the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – EMPLOYEES AND VOLUNTEER WORKERS AS INSURED

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**A. Paragraph 1.b.(1) of Section II – Who Is An Insured** does not apply.

**A. If Endorsement CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the Policy, the following exclusion is added to Paragraph 2. Exclusions under Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

#### **Employees And Volunteer Workers**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

**1. A watercraft while ashore on premises you own or rent;**

**2. A watercraft you do not own that is:**

**a. Less than 50 feet long; and**

**b. Not being used to carry persons or property for a charge;**

**3. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;**

**4. The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or**

**5. Aircraft that is:**

**a. Chartered by, loaned to, or hired by you with a paid crew; and**

**b. Not owned by any insured.**

**B. If Paragraph A. does not apply, Exclusion 2.j., Aircraft Or Watercraft under Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is amended as follows replaced by the following:**

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft:

**(1) Owned or operated by or rented or loaned to any insured; or**

**(2) Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.**

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 50 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; ±

— (4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described above Coverage provided will follow the same provisions, exclusions and limitations of that are contained in the applicable "underlying insurance" ± unless otherwise directed by this insurance; or

(5) Aircraft that is:

- (a) ~~e~~Chartered by, loaned to, or hired by you with a paid crew; and
- (b) ~~±~~Not owned by any insured.

C. Paragraph 1.b.(1) of Section II – Who Is An Insured does not apply.

D. Paragraph 1.b.(2) of Section II – Who Is An Insured is replaced by the following:

- (2) Any person or any organization while acting as your real estate manager.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – NON-OWNED AIRCRAFT

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. If Endorsement CU 21 71, CU 21 72, CU 24 50 or CU 24 51 is attached to the Policy, Paragraph A.2.i.(2)(e) of Endorsement CU 21 71, CU 21 72, CU 24 50 or CU 24 51, whichever is attached, does not apply.

B. If Paragraph A. does not apply, Paragraph (j)(5) Exclusion j. of under Paragraph 2, Exclusions of under Section I – Coverage A – Bodily Injury And Property Damage Liability does not apply, is replaced by the following:

j. Aircraft Or Watercraft

~~"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".~~

~~This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.~~

This exclusion does not apply to:

- ~~(1) A watercraft while ashore on premises you own or rent;~~
- ~~(2) A watercraft you do not own that is:~~
  - ~~(a) Less than 50 feet long; and~~
  - ~~(b) Not being used to carry persons or property for a charge;~~
- ~~(3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or~~
- ~~(4) The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". Coverage provided will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.~~

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A. Exclusion 2.j. Aircraft Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph j.(1) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### **(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph j.(2) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph j.(2) does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph j.(2) exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph j.(2) will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

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**(e) Aircraft that is:**

- (i) Chartered by, loaned to, or hired by you with a paid crew; and**
- (ii) Not owned by any insured.**

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or**
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".**

**C. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A. Exclusion 2.j. Aircraft Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph j.(1) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### **(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph j.(2) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph j.(2) does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph j.(2) exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph j.(2) will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And  
Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or**
- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".**

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

#### SCHEDULE

Description Of Unmanned Aircraft
Description Of Operation(s) Or Project(s)

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.j. Aircraft Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **j.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement";
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- c.** "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**C. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

### **SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.j. Aircraft Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **j. Aircraft Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **j.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **j.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**(2) Aircraft (Other Than Unmanned Aircraft) Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **j.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft") or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **j.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 50 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

**(d)** The extent that valid "underlying insurance" for the aircraft or watercraft liability risks described in this Paragraph **j.(2)** exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft or watercraft risks described in this Paragraph **j.(2)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance; or

**(e)** Aircraft that is:

- (i)** Chartered by, loaned to, or hired by you with a paid crew; and
- (ii)** Not owned by any insured.

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

**SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And  
Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement";
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- c.** "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL EXCESS COVERAGE PART**

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Section I – Coverages:**

**2. Exclusions**

Insurance provided under this Coverage Part does not apply to:

**Unmanned Aircraft**

"Injury or damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "event" which caused the "injury or damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

As used in this exclusion, loading or unloading means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an "unmanned aircraft";
- b.** While it is in or on an "unmanned aircraft"; or
- c.** While it is being moved from an "unmanned aircraft" to the place where it is finally delivered;

but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "unmanned aircraft".

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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# Unmanned Aircraft Endorsement Options Introduced

## About This Filing

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This filing introduces optional endorsements, for use with various General Liability Coverage Parts, addressing certain liability exposures related to unmanned aircraft.

## New Forms

We are introducing:

- ◆ CG 21 09 06 15 – Exclusion – Unmanned Aircraft
- ◆ CG 21 10 06 15 – Exclusion – Unmanned Aircraft (Coverage A Only)
- ◆ CG 21 11 06 15 – Exclusion – Unmanned Aircraft (Coverage B Only)
- ◆ CG 24 50 06 15 – Limited Coverage For Designated Unmanned Aircraft
- ◆ CG 24 51 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)
- ◆ CG 24 52 06 15 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)
- ◆ CG 29 60 06 15 – Exclusion – Unmanned Aircraft

## Revised Forms

We are revising:

- ◆ CG 21 37 10 01 – Exclusion – Employees And Volunteer Workers As Insureds
- ◆ CG 21 66 04 13 – Exclusion – Volunteer Workers

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the above-referenced editions to the 06 15 editions. Concurrent with implementation, the 06 15 editions will supersede the prior editions.

## Related Filing(s)

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GL-2014-ODNRU (Rules)

## Background

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### Unmanned Aircraft

Unmanned aircraft (commonly referred to as "drones") have been used extensively in military operations, however drone use in connection with various commercial operations is expected to rise.

The FAA Modernization and Reform Act of 2012 (Act), in Section 331, defines an "unmanned aircraft" (UA) as "an aircraft that is operated without a possibility of direct human intervention from within or on the aircraft."

Section 332 of the Act, in part, directs the Federal Aviation Administration (FAA) to develop a plan by September 30, 2015 to safely integrate civil drones into the U.S. airspace system. The FAA has separately estimated that about 7,500 commercial drones could be in use within five years of the new rules. However, prior to finalizing such plan, the FAA has been granting permission to certain entities to use drones in their current operations.

To date, exceptions have reportedly been granted with respect to various types of entities and operations, including search and rescue, colleges and schools, and manufacturers of drones. The FAA also recently announced it has authorized six film and television production companies to use drones as a part of their operations.

In addition, other reported uses for drones include the following:

- **Agriculture** – Use by farmers to capture aerial images which help assess crop health.
- **Inspection** – To inspect structures for damage and other hazards, especially in areas that are difficult to access.
- **Weather And Environmental Data Collection** – To collect weather data, including real-time collection of data from within hurricanes and tornadoes.

Certain companies are expecting to use drones for the following:

- **Package Delivery** – Several major companies are reportedly testing drone technology for the purpose of delivering packages.
- **Providing web access** – One company is reportedly working to develop solar-powered drones which would provide global web access.

## Aircraft Provisions In The ISO Commercial General Liability Coverage Form

The ISO Commercial General Liability (CGL) Coverage Form includes several provisions that expressly address aircraft. With regard to Coverage A – Bodily Injury And Property Damage Liability, the Aircraft, Auto Or Watercraft exclusion in the CGL Coverage Form precludes, in part, bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Currently, Coverage B – Personal And Advertising Injury Liability does not contain an exclusion explicitly addressing aircraft.

## Explanation of Changes

We are introducing several optional endorsements to enhance the underwriting flexibility in addressing drone-related liability exposures under ISO's Commercial General Liability Coverage Part and Owners And Contractors Protective Liability Coverage Part. We have developed several options, including those to exclude certain liability not otherwise precluded by the policy with respect to any unmanned aircraft and those to provide an exception for designated unmanned aircraft, but only with respect to designated operations or projects. Each endorsement contains a new defined term, "unmanned aircraft." As used in the endorsements, "unmanned aircraft" means an aircraft that is not designed, manufactured or modified after manufacture to be controlled directly by a person from within or on the aircraft.

### Commercial General Liability Coverage Part

The following endorsements are being introduced for use with the Commercial General Liability Coverage Part:

#### Unmanned Aircraft Exclusion Endorsements

##### ◆ **CG 21 09 – Exclusion – Unmanned Aircraft**

This endorsement expressly excludes bodily injury, property damage and personal and advertising injury arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft.

With respect to Coverage A – Bodily Injury And Property Damage Liability, the endorsement replaces and bifurcates Exclusion g. Aircraft, Auto Or Watercraft as follows:

- New Paragraph g.(1) Unmanned Aircraft provides, in part, that coverage does not apply to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. Unlike Exclusion g. in the CGL Coverage Form, Exclusion g.(1)

Unmanned Aircraft does not contain limiting language concerning any aircraft owned or operated by or rented or loaned to *any insured*, nor does it contain an exception with respect to liability assumed under any insured contract for the ownership, maintenance or use of aircraft.

- Paragraph g.(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft generally tracks the current Aircraft, Auto Or Watercraft exclusion contained in the CGL, but newly excepts out unmanned aircraft from the exclusionary reference to aircraft since unmanned aircraft is addressed under new paragraph g.(1).

With respect to Coverage B – Personal And Advertising Injury Liability, this endorsement introduces an Unmanned Aircraft exclusion. This exclusion provides, in part, that the insurance does not apply to personal and advertising injury arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. In addition, this Coverage B exclusion contains exceptions indicating that it does not apply to certain personal and advertising injury offenses such as the use of another's advertising idea in the named insured's advertisement or infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

♦ **CG 21 10 – Exclusion – Unmanned Aircraft (Coverage A Only)**

This endorsement expressly excludes bodily injury and property damage liability arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. The endorsement employs the same bifurcated approach and contains identical language with respect to Coverage A as endorsement CG 21 09. This endorsement differs from CG 21 09 in that it does not address Coverage B. When this endorsement is attached, Coverage B will remain unmodified with respect to unmanned aircraft.

♦ **CG 21 11 – Exclusion – Unmanned Aircraft (Coverage B Only)**

This endorsement expressly excludes personal and advertising injury liability arising out of the ownership, maintenance, use or entrustment to others of any unmanned aircraft. This endorsement contains identical language with respect to Coverage B as endorsement CG 21 09. This endorsement differs from CG 21 09 in that it does not address Coverage A. When this endorsement is attached, Coverage A with respect to unmanned aircraft will remain unchanged under the unmodified and applicable Aircraft, Auto Or Watercraft exclusion contained in the CGL.

## Designated Unmanned Aircraft Coverage Endorsements

### ◆ **CG 24 50 – Limited Coverage For Designated Unmanned Aircraft**

This endorsement expressly excludes bodily injury, property damage and personal and advertising injury liability with respect to any unmanned aircraft in a similar manner to CG 21 09. However, this endorsement provides exceptions to the exclusions for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement.

This endorsement allows for entry of an optional Unmanned Aircraft Liability Aggregate Limit in the Schedule. If a limit is entered in the Schedule, any coverage provided under the endorsement with respect to Coverage A (bodily injury and property damage), Coverage B (personal and advertising injury) and Coverage C (medical payments) will be subject to that aggregate limit. The Unmanned Aircraft Liability Aggregate Limit is subject to the policy's General Aggregate Limit or Products/Completed Operations Aggregate Limit, whichever applies. In addition, the Each Occurrence Limit, Personal And Advertising Injury Limit, Damage To Premises Rented To You Limit and Medical Expense Limit continue to apply, but only if, and to the extent that, a limit of insurance is available under the Unmanned Aircraft Liability Aggregate Limit.

### ◆ **CG 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

This endorsement is similar to CG 24 50, except that it does not address Coverage B. As such, it provides exceptions to the Coverage A exclusion for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement. It also contains an optional Coverage A Unmanned Aircraft Liability Aggregate Limit that applies in a similar manner to the Unmanned Aircraft Liability Aggregate Limit contained in endorsement CG 24 50, but does not apply with respect to Coverage B.

### ◆ **CG 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

This endorsement is similar to CG 24 50, except that it does not address Coverage A. As such, it expressly excludes personal and advertising injury liability with respect to any unmanned aircraft, but provides exceptions to the exclusion for designated unmanned aircraft, but only with respect to operations or projects designated in the Schedule of the endorsement. It also contains an optional Coverage B Unmanned Aircraft Liability Aggregate Limit that applies in a similar manner to the Unmanned Aircraft Liability Aggregate Limit contained in endorsement CG 24 50, but does not apply with respect to Coverage A.

We are revising the following endorsements applicable to the Commercial General Liability Coverage Part:

◆ **CG 21 37 – Exclusion – Employees And Volunteer Workers As Insureds**

This endorsement currently replaces Exclusion g. in the CGL, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion g. is also attached to the policy. Specifically, we are:

- Introducing a new Paragraph A. providing that if CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the policy, an exclusion with respect to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than unmanned aircraft), auto or watercraft operated by any employee or volunteer worker is added to Paragraph 2. Exclusions under Coverage A. This exclusion contains exceptions similar to those contained in Paragraph B.
- Revising Paragraph B. to:
  - ◊ Provide that if Paragraph A. does not apply, Exclusion g. will be replaced as described in Paragraph B.
  - ◊ Expressly address employees and volunteer workers in the language that reinforces, in part, that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.
  - ◊ Revise subparagraph (5) to address the operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, in order to track more closely with the corresponding provisions in the coverage form.
- Replacing Exclusion 2.a. Any Insured under Coverage C – Medical Payments in order to remove reference to volunteer workers.
- Replacing Paragraph 2.b. of Section II – Who Is An Insured in order to remove reference to employees and volunteer workers.
- Making editorial revisions.

◆ **CG 21 66 – Exclusion – Volunteer Workers**

This endorsement currently replaces Exclusion g. in the CGL, as do certain unmanned aircraft endorsements described above. We are revising this endorsement so that it may be used when an unmanned aircraft endorsement that replaces Exclusion g. is also attached to the policy. Specifically, we are:

- Introducing a new Paragraph A. providing that if CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the policy, an exclusion with respect to bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than unmanned aircraft), auto or watercraft operated by any volunteer worker is added to Paragraph 2. Exclusions under Coverage A. This exclusion contains exceptions similar to those contained in Paragraph B.
- Revising Paragraph B. to:
  - ◊ Provide that if Paragraph A. does not apply, Exclusion g. will be replaced as described in Paragraph B.
  - ◊ Expressly address volunteer workers in the language that reinforces, in part, that the exclusion applies even if the claims against any insured involved negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.
- Making various editorial revisions.

**Owners And Contractors Protective Liability Coverage Part**

We are introducing endorsement CG 29 60 – Exclusion – Unmanned Aircraft for use with the Owners And Contractors Protective Liability (OCP) Coverage Part. The OCP Coverage Form generally affords protection with respect to liability for bodily injury or property damage arising out of operations performed for the insured by an independent contractor(s) whether the insured is an owner of property or is another contractor. The OCP currently does not contain an exclusion expressly addressing aircraft. Endorsement CG 29 60 introduces an unmanned aircraft exclusion, similar to that provided under Paragraph g.(1) of CG 21 10 – Exclusion – Unmanned Aircraft (Coverage A Only). Unlike CG 21 10, CG 29 60 does not address autos, watercraft or other aircraft that are not unmanned aircraft. In addition, CG 29 60 adds a definition for the term *loading or unloading* but only for the purposes of this exclusion.

## **Impact**

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### Commercial General Liability Coverage Part

#### **CG 21 09 – Exclusion – Unmanned Aircraft**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

In addition, to the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

#### **CG 21 10 – Exclusion – Unmanned Aircraft (Coverage A Only)**

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage with respect to such exposures related to unmanned aircraft.

#### **CG 21 11 – Exclusion – Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

### **CG 21 37 – Exclusion – Employees And Volunteer Workers As Insureds**

With respect to policies to which the previous edition of this form is attached, the attachment of this endorsement will result in a broadening of coverage with respect to:

- ◆ An employee's or volunteer worker's operation of certain machinery or equipment that would qualify under the definition of mobile equipment if it were not subject certain motor vehicle insurance laws; and
- ◆ An employee or volunteer worker acting as the named insured's real estate manager.

### **CG 21 66 – Exclusion – Volunteer Workers**

There is no impact on coverage as a result of the revisions made to this endorsement.

### **CG 24 50 – Limited Coverage For Designated Unmanned Aircraft**

The attachment of this endorsement will result in a broadening of bodily injury and property damage coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**CG 24 51 – Limited Coverage For Designated Unmanned Aircraft (Coverage A Only)**

The attachment of this endorsement will result in a broadening of coverage with respect to designated unmanned aircraft that are owned or operated by or rented or loaned to any insured, with respect to designated operations or projects.

To the extent that:

- ◆ An exposure exists with respect to unmanned aircraft that are **not** owned or operated by or rented or loaned to any insured; or
- ◆ Liability is assumed under any insured contact for the ownership, maintenance or use of unmanned aircraft;

the attachment of this endorsement will result in a reduction in bodily injury and property damage liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects.

**CG 24 52 – Limited Coverage For Designated Unmanned Aircraft (Coverage B Only)**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in personal and advertising injury liability coverage, but only if such unmanned aircraft are **not** designated in the Schedule of the endorsement, with respect to designated operations or projects. However, the attachment of this endorsement would **not** result in a reduction of coverage with respect to the use of another's advertising idea in the named insured's advertisement or to infringing upon another's copyright, trade dress or slogan in the named insured's advertisement.

**Owners And Contractors Protective Liability Coverage Part**

**CG 29 60 – Exclusion – Unmanned Aircraft**

To the extent that an exposure exists with respect to unmanned aircraft, the attachment of this endorsement will result in a reduction in coverage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### 2. Exclusions

This insurance does not apply to:

##### g. Aircraft, Auto Or Watercraft

###### (1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### (2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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**(e)** "Bodily injury" or "property damage" arising out of:

- (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** The following exclusion is added to Paragraph **2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

## 2. Exclusions

This insurance does not apply to:

### Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement"; or
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**C.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **g. Aircraft, Auto Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

###### **(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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**(e)** "Bodily injury" or "property damage" arising out of:

- (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And  
Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

**a. The use of another's advertising idea in your "advertisement"; or**

**b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".**

**B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;**
- 2. Manufactured; or**
- 3. Modified after manufacture;**

to be controlled directly by a person from within or on the aircraft.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – EMPLOYEES AND VOLUNTEER WORKERS AS INSUREDS

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Paragraph 2.a. of Section II – Who Is An Insured**  
does not apply.

**A. If Endorsement CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the Policy, the following exclusion is added to Paragraph 2. Exclusions under Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

#### **Employees And Volunteer Workers**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- 1. A watercraft while ashore on premises you own or rent;**
- 2. A watercraft you do not own that is:**
  - a. Less than 26 feet long; and**
  - b. Not being used to carry persons or property for a charge;**
- 3. Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "employees" or "volunteer workers" or any "employee" or "volunteer worker" of the insured;**

**4. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or**

**5. "Bodily injury" or "property damage" arising out of:**

**a. The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or**

**b. The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".**

**B. If Paragraph A. does not apply, Exclusion 2.g. Aircraft, Auto Or Watercraft under Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:** is amended as follows:

**4. Paragraph g. is replaced by the following:**

This insurance does not apply to:

#### **g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft:

- (1) Owned or operated by or rented or loaned to any insured; or**
- (2) Operated by any "employee" or "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.**

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against ~~the~~any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "employee" or "volunteer worker".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;:
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "employees" or "volunteer workers" or any "employee" or "volunteer worker" of the insured;:
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**C. Paragraph 2.a. of Section I – Coverage C – Medical Payments is replaced by the following:**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured.

**D. Paragraph 2.a. of Section II – Who Is An Insured does not apply.**

**E. Paragraph 2.b. of Section II – Who Is An Insured is replaced by the following:**

**b. Any person or any organization while acting as your real estate manager.**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – VOLUNTEER WORKERS

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Paragraph 2.a. Exclusions of Section I – Coverage C – Medical Payments is replaced by the following:

We will not pay expenses for "bodily injury":

- a. To any insured.

A. If Endorsement CG 21 09, CG 21 10, CG 24 50 or CG 24 51 is attached to the Policy, the following exclusion is added to Paragraph 2. Exclusions under Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

#### Volunteer Workers

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft operated by any "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is operated by any "volunteer worker".

This exclusion does not apply to:

1. A watercraft while ashore on premises you own or rent;
2. A watercraft you do not own that is:
  - a. Less than 26 feet long; and
  - b. Not being used to carry persons or property for a charge;

3. Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "volunteer workers" or any "volunteer worker" of the insured;

4. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

5. "Bodily injury" or "property damage" arising out of:

a. The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

b. The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

B. If Paragraph A. does not apply, Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

#### g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft:

- (1) Owned or operated by or rented or loaned to any insured; or
- (2) Operated by any "volunteer worker" in the course of his or her employment by the insured or while performing duties related to the conduct of the insured's business.

Use includes operation and "loading or unloading".

This exclusion applies even if the claims against ~~the any insured~~ allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured or operated by any "volunteer worker".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you, the insured, any of your "volunteer workers" or any "volunteer workers" of the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
  - (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**C. Paragraph 2.a. of Section I – Coverage C – Medical Payments** is replaced by the following:

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured.

**CD.**Paragraphs 2.a. and 2.b. of **Section II – Who Is An Insured** are replaced by the following:

2. Each of the following is also an insured:
  - a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
    - (1) "Bodily injury" or "personal and advertising injury":
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" or while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (1)(a) above;
      - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
      - (d) Arising out of his or her providing or failing to provide professional health care services.
    - (2) "Property damage" to property:
      - (a) Owned, occupied or used by;
      - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by:  
you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### SCHEDULE

Description Of Unmanned Aircraft
Description Of Operation(s) Or Project(s)
Limit Of Insurance
<b>Unmanned Aircraft Liability Aggregate Limit: \$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **g. Aircraft, Auto Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **g.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

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**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e)** "Bodily injury" or "property damage" arising out of:
  - (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

**(ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B. The following exclusion is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a.** The use of another's advertising idea in your "advertisement";
- b.** Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- c.** "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

**C. If an Unmanned Aircraft Liability Aggregate Limit is shown in the Schedule, the following provisions are added to Section III – Limits Of Insurance:**

- 1.** Subject to Paragraph 2. or 3. of **Section III – Limits Of Insurance**, whichever applies, the Unmanned Aircraft Liability Aggregate Limit shown in the Schedule is the most we will pay for the sum of:

- a.** Damages under Coverage **A**;
- b.** Damages under Coverage **B**; and
- c.** Medical expenses under Coverage **C**;

because of all "bodily injury", "property damage" and "personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

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2. Paragraph 4., the Personal And Advertising Injury Limit, Paragraph 5., the Each Occurrence Limit, Paragraph 6., the Damage To Premises Rented To You Limit, and Paragraph 7., the Medical Expense Limit, of **Section III – Limits Of Insurance** continue to apply to "bodily injury", "property damage" and "personal and advertising injury", as applicable, arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft" but only if, and to the extent that, a limit of insurance is available under the Unmanned Aircraft Liability Aggregate Limit.

D. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE A ONLY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>
<b>Limit Of Insurance</b>
<b>Coverage A Unmanned Aircraft Liability Aggregate Limit: \$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

##### **g. Aircraft, Auto Or Watercraft**

###### **(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This Paragraph **g.(1)** does not apply to "unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.

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**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e)** "Bodily injury" or "property damage" arising out of:
  - (i)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

**(ii)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** If a Coverage **A** Unmanned Aircraft Liability Aggregate Limit is shown in the Schedule, the following provisions are added to **Section III – Limits Of Insurance**:

- 1. Subject to Paragraph **2.** or **3.** of **Section III – Limits Of Insurance**, whichever applies, the Coverage **A** Unmanned Aircraft Liability Aggregate Limit shown in the Schedule is the most we will pay for the sum of:
  - a.** Damages under Coverage **A**; and
  - b.** Medical expenses under Coverage **C**;because of all "bodily injury" and "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".
- 2. Paragraph **5.**, the Each Occurrence Limit, Paragraph **6.**, the Damage To Premises Rented To You Limit, and Paragraph **7.**, the Medical Expense Limit, of **Section III – Limits Of Insurance** continue to apply to "bodily injury" and "property damage", as applicable, arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft" but only if, and to the extent that, a limit of insurance is available under the Coverage **A** Unmanned Aircraft Liability Aggregate Limit.

**C.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT (COVERAGE B ONLY)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

<b>Description Of Unmanned Aircraft</b>
<b>Description Of Operation(s) Or Project(s)</b>
<b>Limit Of Insurance</b>
<b>Coverage B Unmanned Aircraft Liability Aggregate Limit: \$</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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**A. The following exclusion is added to Paragraph 2.  
Exclusions of Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement";**

- b. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - c. "Unmanned aircraft" described in the Schedule, but only with respect to the operation(s) or project(s) described in the Schedule.
- B. If a Coverage **B** Unmanned Aircraft Liability Aggregate Limit is shown in the Schedule, the following provisions are added to **Section III – Limits Of Insurance**:
  1. Subject to Paragraph **2.** of Section **III – Limits Of Insurance**, the Coverage **B** Unmanned Aircraft Liability Aggregate Limit shown in the Schedule is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".
- 2. Paragraph **4.**, the **Personal And Advertising Injury Limit**, of **Section III – Limits Of Insurance** continues to apply to "personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft" but only if, and to the extent that, a limit of insurance is available under the Coverage **B** Unmanned Aircraft Liability Aggregate Limit.
- C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

  1. Designed;
  2. Manufactured; or
  3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

### OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

**A.** The following exclusion is added to Paragraph 2, **Exclusions of Section I – Coverages** and supersedes any other provision to the contrary:

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

As used in this exclusion, loading or unloading means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an "unmanned aircraft";
- b.** While it is in or on an "unmanned aircraft"; or
- c.** While it is being moved from an "unmanned aircraft" to the place where it is finally delivered;

but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "unmanned aircraft".

**B.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.