



Risk Management Corner: The Buzz about Drones

Anyone watching the recent SuperBowl halftime show saw the flexibility and control of drones in action, as they formed a series of colorful pictures in lights behind performer Lady Gaga.

Aside from such creative uses, the agricultural industry is expected to be one of the primary users of drones. As an example, recent industry articles have focused on the introduction of tiny pollination drones to replace the depleting bee population.

FCC Services anticipates that Farm Credit organizations will also find drones very useful, particularly in conducting appraisals and verifying and inspecting collateral, and we've added a new insurance program to provide liability protection to cover this new technology. All Farm Credit organizations are automatically covered under the policy, but there are two additional requirements.

- First, you must declare every drone purchased and provide identifying information to FCC Services' Risk Management & Insurance Services. Please [email us](#) with information regarding the year, make and model of **each** drone, along with the name and the qualifications of **all** operators. *(As a reminder, FAA Regulations require a drone being operated for any business purpose to be operated by a pilot over age 16 with a small UAS rating and with TSA security clearance.)* If you also wish to cover physical damage to the drone itself, please provide the purchase price; there will be an additional premium for this coverage.
- Second, the operation of any drone must be in compliance with the [FCC Services' Drone Policy & Procedure](#) that was published last summer. (This policy is only accessible to individuals with logins. [Contact us](#) to obtain a login to the FCC Services client portal).

The Risk Management & Insurance team is pleased to be able to insure your operational risks, including new and evolving technologies like drones. Please [contact us](#) with any questions about this or other coverages, or for more information on our suite of best-practice Risk Management Policies and Procedures.