

Drone/Unmanned Aerial Systems (UAS)

Policy / Procedure Title

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Policy

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FINAL

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 ${\bf Audience} \colon {\sf MGMRI-ALL}$

Division: Aviation

Effective Date

Issuing Department: Aviation

Purpose

The use of Drones or Unmanned Aerial Systems ("UASs") is rapidly increasing for various types of work, such as surveillance, cinematography or photography. The guidelines provided in this Policy are designed to manage risk and compliance with applicable laws associated with drone usage, specifically promoting the safe operation of drones in compliance with all Federal, State, Local and MGMRI specific policies, procedures and regulations.

This MGMRI Drone/Unmanned Aerial System Policy describes the general processes and expectations for all drones operations over, within or around MGMRI Proprties. The Policy applies to all drone usage, including:

- i) Any operation, both indoor or out;
- ii) MGMRI-owned or contracted UASs;
- iii) MGMRI Employee or contracted Remote Pilots;
- iv) Drone services provided by Approved Aviation Contractors; and
- v) Requests from third parties to operate a drone.

Questions or interpretations of this Policy should be directed to the Director of Aviation Safety and Security at drones@mgmresorts.com

Requirements/Process

The following procedures and process shall be followed in connection with drone usage over, within or around MGMRI properties:

When an MGM employee desires to use a drone, or becomes aware of intention of a third party to use a drone
on or about MGM property, prompt notification is to be provided to the Director of Aviation Safety and Security
at drones@mgmresorts.com

- Prior to permission being granted for drone usage, the MGM requester is required to cause a "Permit Application for use of Drone/Unmanned Aerial Systems" to be submitted, along with all required documentation, to the MGMRI Director of Aviation Safety and Security no less than 10 days prior to the scheduled flight date.
- The Director of Aviation Safety will conduct a safety assessment of the proposed drone flight and forward the Permit Application to Corporate Risk Management, Legal, property Security and the Director of Media Productions when necessary.
- When the drone operator is not in privity of contract with an MGM entity (e.g., a convention group hires a drone
 operator for an event associated with its convention or a marketing agency hired by MGM hires a drone
 operator in connection with the services being provided by the marketing agency to MGM) a Location
 Agreement is required to be entered into by the drone operator so that MGM can provide for indemnity and
 obtain the benefit of the drone operator's aviation insurance coverage.
- The drone usage cannot occur until the application is approved by the MGMRI Director of Aviation Safety and Security.
- The Director of Aviation Safety and Security will notify the MGMRI requester once the Permit Application has been approved or denied.
- The MGMRI Requester will monitor any third-party drone operator controlled drone usage to ensure compliance with the approval parameters.
- Property Security will maintain an onsite presence for the duration of the drone flight.

Any drone operated for MGMRI business purposes (e.g., a property Facilities' department utilizing a drone to inspect an aspect of the exterior of a structure, etc.) is subject to the limits as set forth in any applicable Federal, State and local regulations, including registration requirements, and any MGMRI specific requirements.

*Note: There may be circumstances in which we have entered into a location agreement with a party (e.g., ESPN) that subcontracts to a drone production company, but the party to the Location Agreement maintains the required drone/aviation insurance. In that instance, the Location Agreement will include language that ESPN (in this example) is required to have the required insurance and will also require all subcontractors (e.g. its drone operator) to adhere to MGM drone operation requirements, as well as to also have appropriate insurance coverage naming MGM, and indemnity provisions, indemnifying MGM. In this circumstance a separate Location Agreement with the drone operator will not be required, as the Location Agreement with ESPN will suffice.

Prohibited Uses

The following Drone uses are generally prohibited:

- Any drone operation that does not comply with Federal (including FAR Part 107), State, and Local regulations, are not permitted;
- Use of privately-owned drones over, within or around any MGMRI property for internal business or any other internal purpose, except those owned and operated by an approved external drone contractor pursuant to a written agreement with an MGMRI Department;
- Operation of any personally owned drone by MGMRI employee(s) over, within or around any MGMRI property;
- Operation of any drones over, within or around any MGMRI property by an individual who is not a certified Remote Pilot;

- Use of any drones that have not been approved by MGM Aviation; and
- Use of any drones to inspect, photograph or record images of any property not owned by MGMRI or to which MGMRI does not otherwise have a valid right of access and/or control.

Records Management

Records of drone operations must be produced when requested and include, but are not limited to:

- Certification/licensing of vendor Remote Pilots.
- FAA registration of Vendor owned UASs.
- Insurance coverage for UAS (see Permit Application for Use of Drone/Unmanned Aerial Systems for required coverages).
- UAS maintenance records.
- Mission operations details.

FAA Waivers

All non-part 107 UAS usage is required to be approved by the FAA via a Waiver application. In connection these waiver requests:

- Any MGMRI waiver request to the FAA must be approved by Corporate Aviation before the waiver is requested; and
- Any MGMRI discussion with the FAA must originate with MGMRI Aviation.

Definitions

Federal Aviation Administration (FAA)

The Federal Aviation Administration (FAA) is the agency of the United States Department of Transportation responsible for the regulation and oversight of civil aviation within the U.S., as well as operation and development of the National Airspace System. Its primary mission "...is to provide the safest, most efficient aerospace system in the world."

Federal Aviation Regulations (FAR) Part 107

FAR Part 107 regulates the non-hobby use of UASs., therefore, the use of any UAS for MGMRI business purposes must be conducted in accordance with FAR Part 107 and any State, Local and/or MGMRI specific regulations.

Federal, State and Local Regulations

For the purposes of this Policy: Federal regulations means Code of Federal Regulations (CFR) Title 14, Volume 2, Chapter 1, Subchapter F, Part 107, which is often referred to as FAR Part 107. FAR Part 107 governs operation of UASs in the United States, together with any other FARs now or hereafter regulating the ownership, operation, or maintenance of UAS. State regulations mean those regulations specific to a certain state in the United States; State regulations vary and may extend to the use of UASs in certain areas, and in enclosed spaces. State regulations may also address certain privacy-related restrictions such as invasion of privacy, trespass, etc. Local regulations mean those regulations pertaining to UAS, and specific to a locale within a particular State. Local regulations may contain other operational restrictions or clauses. Knowing, understanding and complying with all Federal, State and Local regulations in effect for the planned flight area is required of all Remote Pilots.

Unmanned Aerial System (UAS)

An Unmanned Aerial System is an Aircraft that does not have an onboard pilot capable of exerting direct control over the operation of the Aircraft. A UAS is operated by a Remote Pilot.

Business Unit

"Business Unit" means any MGMRI hotel/casino, operations group or employee.

MGMRI

"MGMRI" means MGM Resorts International and each of its subsidiaries and affiliates, including any hotel/casino property, corporate group or COE.

Drone

"Drone" is one nomenclature description of an Unmanned Aerial System.

Remote Pilot

A Remote Pilot is any person operating an Unmanned Aerial System. A Remote Pilot must be certified under FAR Part 107.

Visual Observer

A Visual Observer is a person responsible for assisting the Remote Pilot in maintaining separation between structures, people, wildlife, and other aircraft, in addition to ensuring that the UAS remains within visual line of sight at all times.

Mission Profile

A Mission Profile is a set of standard processes, protocols and/or activities for UAS services that have been reviewed and approved by the MGMRI Aviation Department. An example of an approved Mission Profile is filming of the Bellagio fountains.