

## SKYPAN INTERNATIONAL

312-491-8776

Press Release in Response to FAA 1/17/17

SkyPan International is pleased to announce that it has reached agreement with the United States Federal Aviation Administration to settle the civil penalty action initiated by the FAA in 2015 related to its unmanned aircraft systems (UAS) operations in New York City and Chicago during 2012-2014. While neither admitting nor contesting the allegations that these commercial operations were contrary to FAA regulations, SkyPan wishes to resolve this matter without any further expense or delay of business. Accordingly, it has entered into three-year agreement with the FAA in which SkyPan will pay a civil fine over a period of three years and pay an additional civil fine in the event Skypan violates any aviation regulation during the next year and pay a civil fine in the event it violates the terms of the agreement. In exchange, the FAA makes no finding of violation.

SkyPan's flights were conducted two years before the FAA's first rule for commercial UAS operations, commonly referred to as Part 107, went into effect in August 2016, and all but a few were conducted before the FAA began to issue exemptions to authorize commercial UAS operations in September 2014 under the Section 333 process. SkyPan has never had an accident, and SkyPan has never compromised citizens' privacy or security. SkyPan obtained a section 333 Exemption in 2015.

For 28 years, SkyPan has offered innovative aerial robotic systems that serve the needs of the construction and real estate industries while adhering to the highest standards of safety and efficiency in its operation of those systems. SkyPan continues to strive to maintain the utmost levels of safety, security, and privacy protection in its operations.

To that end, is pleased to join with the FAA to promote compliance with safety regulations governing UAS operations. All pilots – those operating both manned and unmanned aircraft – have a fundamental responsibility to abide by FAA's regulations to assure a single set of operational allowances and restrictions that may protect the flying public, as well as people and property on the ground. SkyPan encourages all commercial UAS operators to carefully read Part 107, to understand its requirements and limitations, and to seek guidance from the FAA if they have any questions. Operators should register their unmanned aircraft and ensure that their pilots fulfill the appropriate training, testing, and currency requirements before conducting any commercial operations under Part 107.

SkyPan believes this is an exciting time for the nascent UAS industry and those who stand to benefit from this technology. Part 107 is a flexible and forward-leaning regulatory framework that balances access, innovation, and safety. The rule allows for routine commercial UAS

operations within certain limitations and allows operators to seek authority from the FAA for operations not permitted by the rule but may otherwise be permitted if the FAA finds that these operations may be conducted safely. Importantly, the rule will allow SkyPan and other operators to fly in controlled airspace if authorized by Air Traffic Control. As the FAA considers additional regulations that will open the skies even further to entrepreneurial American UAS businesses, SkyPan urges the UAS industry to work collaboratively with the FAA to achieve our common goal of balancing commerce and innovation with safety.

## About SkyPan

SkyPan International president Mark Segal founded the company in 1988. SkyPan conducts aerial panoramic photography operations above private property in urban areas under very controlled conditions. SkyPan's hundreds of commercial clients include many of the country's leading developers, including Durst, Extell, Hines, Howard Hughes, Related, Silverstein, LendLease, Vornado and Zeckendorf to name a few.

SkyPan owns a patent for its panoramic aerial technology system and uses professional-grade digital camera systems to produce interactive 360-degree photos showing future views at exactly-measured, multiple heights. These SkyPan digital images assist clients with pre-planning needs — such as entitlements and zoning, investor presentations, pricing studies, and architectural design — and in later phases of development as integral components of their marketing teams' pre-sales and sales presentations. SkyPan helps developers promote and sell future real estate, saving time and money, accelerating and informing construction and advancing job creation.

More information is available at:

<http://www.skypanintl.com>

<http://www.skypanintl.com/index.php/about/clients>

###