

Drone Prohibition and Site Security Policy of Heron Lake BioEnergy, LLC

I. Purpose and Policy Statement

Heron Lake BioEnergy, LLC (the “**Company**”) operates a critical industrial facility engaged in ethanol production and related operations. Due to the inherent risks of fire, explosion, chemical release, and industrial espionage, the Company must maintain strict control over its airspace and premises to ensure the safety of personnel, equipment, and operations as provided in this Drone Prohibition and Site Security Policy (the “**Policy**”). This Policy is enacted to:

- Protect the security and privacy of the Company, Company Property, and the occupants thereof including Company personnel and visitors.
- Mitigate potential security threats and unauthorized surveillance.
- Prevent interference with Company operations and activities.
- Ensure compliance with applicable federal, state, and local regulations.
- Safeguard against potential safety hazards and liability concerns, including risk of physical damage to Company Property or injury to persons.

Accordingly, unauthorized operation of drones and other unmanned aircraft systems in, over, or near Company Property is strictly prohibited to the fullest extent permitted by law.

II. Definitions

“**Drone**” or “**UAS**” means any unmanned aircraft system, as defined by the Federal Aviation Administration (“**FAA**”), operated remotely or autonomously.

“**Company Property**” includes all real property owned, leased, or controlled by the Company, including buildings, structures, tanks, rail access areas, locomotives, automobiles, equipment yards, and airspace within the immediate reaches of the land necessary for the use and enjoyment thereof.

“**Unauthorized Drone Operation**” means any flight, takeoff, or landing of a UAS on or above Company Property without express prior written authorization from the Company’s site manager or security personnel.

III. Prohibited Conduct

1. No Drone Launching or Landing.

Launching, landing, or operating a drone from any location on Company Property without prior written authorization is strictly prohibited.

2. No Flight Within the Immediate Airspace.

No person shall operate a drone within or above the airspace immediately surrounding Company Property, where such operation may:

- Interfere with facility operations or safety systems;
- Create a risk to personnel or property;
- Invade the privacy of individuals on-site; or
- Capture or transmit images, data, recordings, or other information about facility operations.

3. Prohibition of Data Collection and Surveillance.

The operation of any UAS for purposes of recording, photographing, or transmitting images, sounds, or data relating to Company operations, equipment, or personnel is strictly prohibited, whether conducted from within or outside Company Property, without the express prior written consent of the Company.

4. Reporting and Enforcement.

Any Unauthorized Drone Operation observed above or near Company Property shall be immediately reported to the site manager or security personnel of the Company and local law enforcement. The Company reserves the right to:

- Contact the FAA and law enforcement to investigate and pursue appropriate remedies;
- Seek civil remedies, including injunctive relief, such as trespass, nuisance, and invasion of privacy; and
- Pursue claims under applicable Minnesota statutes, including Minn. Stat. § 609.746 (privacy interference) and 609.605 (trespass).

IV. Exceptions

Authorized drone operations, including, for example, those commissioned by the Company for purpose of inspection, survey, or mapping, may be conducted only:

- By Company personnel or contractors specifically approved by the Company;
- In compliance with all FAA regulations, including 14 C.F.R. Part 107;
- With a documented safety and risk assessment and insurance coverage, as deemed necessary within the scope of authorized drone operations and applicable law; and
- Under the supervision of Company personnel.

Any request for an alternative exception to this Policy must be submitted in writing at least seven (7) business days in advance and include detailed information about the proposed drone operation, purpose, equipment specifications, and safety measures. The Company may impose specific operational guidelines and restrictions in any such exception approval.

V. Disclaimer and Legal Reservation

The Company recognizes that the FAA has regulatory authority over the national airspace system. This Policy is intended to protect the Company Property, personnel, and operations and does not purport to regulate flight operations in navigable airspace as defined by federal law. Notwithstanding the foregoing, the Company asserts its private property rights to exclude unauthorized use of the airspace within the immediate reaches of Company Property and to pursue all remedies for interference, trespass, nuisance, or safety risk created by Unauthorized Drone Operations.

VI. Signage and Notice

Notice of this Policy will be included in visitor safety briefing and contractor access agreements. The Company may post signage at facility entrances and perimeter fencing stating:

**PRIVATE PROPERTY – DRONE FLIGHTS PROHIBITED – UNAUTHORIZED
UAS OPERATIONS WILL BE REPORTED TO LAW ENFORCEMENT AND THE
FAA**

VII. Enforcement

Any individual who observes Unauthorized Drone Operations on or above Company Property should immediately:

- Contact a member of the Company management team or dial 117 for the control room;
- Note the time, location, and description of the UAS and its operator, if visible;
- Refrain from attempting to interfere with or disable the drone; and
- Document the incident with photographs or video if safely possible.

The Company shall coordinate with:

- Local law enforcement, to investigate potential criminal trespass or privacy violations under Minnesota state law;
- The FAA, to report unsafe or unauthorized operations under federal law; and
- State emergency management or critical infrastructure agencies as appropriate.

VIII. Effective Date

This Policy is effective as of November 5, 2025 and shall remain in effect until amended or rescinded by the Company.