STANDARD INSURANCE REQUIREMENTS (PART 7)

OPERATOR shall procure and maintain throughout the duration of this agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the OPERATOR's operations and occupation and use of the leased premises. OPERATOR shall provide current evidence of the required insurance in a form acceptable to the CITY and shall provide replacement evidence for any required insurance which expires prior to the completion, expiration or termination of this Agreement.

Nothing in this section shall be construed as limiting in any way, the Indemnification and Hold Harmless clause contained herein in Section (fill in appropriate section #) or the extent to which OPERATOR may be held responsible for payments of damages to persons or property.

I. Minimum Scope and Limits of Insurance

- A. Airport Liability Insurance. OPERATOR shall maintain airport liability insurance with a minimum limit of \$1,000,000 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Agreement or shall be twice the required occurrence limit. Such insurance shall include coverage for products and completed operations, contractual liability and personal injury.
- B. Owned and Non-Owned Aircraft Liability Insurance. OPERATOR shall maintain aircraft liability insurance with a limit of not less than \$1,000,000 each accident with no per passenger sublimits. Upon approval by CITY and annual submission of certification by a qualified aviation insurance broker that such limits are not available to OPERATOR, OPERATOR may comply with this provision by maintaining this coverage with limits of not less than \$1,000,000 each accident and per passenger sublimits of not less than \$100,000. Such insurance shall include coverage for owned and non-owned aircraft.
- C. Hangarkeeper's Liability Insurance. OPERATOR shall maintain hangarkeeper's liability insurance with a minimum per occurrence limit equal to the greatest value of any aircraft in OPERATOR's care, custody or control at any one time, but not less than \$500,000. If such insurance contains a general aggregate limit, it shall apply separately to the Agreement or shall be twice the required occurrence limit. Such insurance shall have a deductible of no more than \$1000.
- D. Business Automobile Liability Insurance. OPERATOR shall maintain business automobile liability insurance or an equivalent form with a limit of not less than \$1,000,000 each accident. Such insurance shall include

coverage for owned, hired and non-owned automobiles. Workers' Compensation and Employers' Liability Insurance. OPERATOR shall maintain workers' compensation insurance as required by the State of California and employers' liability insurance with limits of not less than \$1,000,000 each accident.

II. <u>Deductibles and Self-Insured Retentions</u>

Any deductible or self-insured retention must be declared to and approved by the CITY.

III. Other Insurance Provisions

The required insurance policies shall contain or be endorsed to contain the following provisions:

A. Airport, Aircraft, Hangarkeepers' Liability, and Business Automobile Liability.

The CITY, its elected or appointed officials, officers, employees and volunteers are to be covered as insureds with respect to liability arising out of OPERATOR's operation or the ownership, occupancy, maintenance or use of the leased premises; or with respect to liability arising out of aircraft or automobiles owned, leased, hired or borrowed by or on behalf of the OPERATOR. The coverage shall contain no special limitations on the scope of its protection afforded to the CITY, its officials, officers, employees and volunteers.

B. Airport, Aircraft, Hangarkeepers' Liability, and Business Automobile Liability.

This insurance shall be primary insurance as respects the CITY, its officers, employees and volunteers and shall apply separately to each insured against whom a suit is brought or a claim is made. Any insurance or self-insurance maintained by the CITY, its officers, employees and volunteers shall be excess of this insurance and shall not contribute with it.

C. Workers' Compensation and Employers' Liability Insurance and All Risk Property Insurance.

Insurer shall waive their right of subrogation against CITY, its officers, employees and volunteers for work done on behalf of the CITY.

D. All Coverages.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the CITY.

IV. Acceptability of Insurers

All required insurance shall be placed with insurers acceptable to the CITY with current BEST'S ratings of no less than B+, Class X. Workers' compensation insurance may be placed with the California State Compensation Insurance Fund. All insurers shall be licensed by or hold admitted status in the State of California. At the sole discretion of the CITY, insurance provided by non-admitted or surplus carriers with a minimum BEST'S rating of no less than A-Class X may be accepted if OPERATOR evidences the requisite need to the sole satisfaction of the CITY.

V. <u>Verification of Coverage</u>

OPERATOR shall furnish the CITY with certificates of insurance which bear original signatures of authorized agents and which reflect insurers names and addresses, policy numbers, coverage, limits, deductibles and self-insured retentions. Additionally, OPERATOR shall furnish certified copies of all policy endorsements required herein. All certificates and endorsements must be received and approved by CITY before OPERATOR occupies premises. The CITY reserves the right to require at any time complete, certified copies of any or all required insurance policies and endorsements.