

EXHIBIT F

INSURANCE REQUIREMENTS

I. INSURANCE REQUIREMENTS

The Concessioner shall obtain and maintain during the entire term of this Contract, at its sole cost and expense, the types and amounts of insurance coverage necessary to fulfill the obligations of the Contract.

With the exception of statutory Workers' Compensation insurance protection, the National Park Service (Service) shall be named as an additional insured under all insurance policies issued or arranged in support of this agreement. All insurance coverage provided for the benefit of, or evidenced to the Service is not to be impaired by any act of the Concessioner, its agents, servants or employees. The Concessioner will ensure that its insurance carriers provide that the Service shall, solely for its benefit, be provided *an unconditional 30 day advance* notice of cancellation, non-renewal or material change in coverage or policy terms for all coverage issues. The term National Park Service shall by definition and where appropriate and legally permissible, also include the term United States Government/United States of America.

The amounts of insurance, limits of liability and coverage terms indicated are not intended as a limitation of the Concessioner's responsibility or liability under the Contract, but rather an indication as to the minimum type(s), amount(s), and scope of insurance that the Service considers necessary to allow the operation of the concession facilities at its park. Nevertheless, if the Concessioner purchases insurance in addition to the limits illustrated herein, the Service will receive the benefits of the additional amounts of insurance without additional cost to the Service.

II. LIABILITY INSURANCE

The following Liability Coverage are to be maintained at a minimum, all of which, unless noted herein, are to be written on an occurrence form of coverage. The Concessioner may attain the limits specified below by means of supplementing the respective coverage(s) with Excess of "Umbrella" Liability (See item #3 excess or umbrella liability insurance policy)

A) Commercial General Liability Insurance

- 1) Coverage will be provided for bodily injury, property damage, contractual liability, personal or advertising injury liability (including contractual liability arising out of personal injury and advertising injury liability) and products/completed operations liability insurance protection. The following minimum limits of liability * are to be provided:

Bodily Injury and Property Damage Limit

- (a) General Aggregate \$ 2,000,000
- (b) Products & Completed Operations Aggregate \$ 1,000,000

- (c) Per Occurrence \$ 1,000,000
- (d) Personal Injury & Advertising Injury Liability \$ 1,000,000
- (e) Medical Payments \$50,000
- (f) Fire Damage Legal Liability “per fire” \$50,000

**or those minimum limits required by the Umbrella/excess liability insurer*

2) The liability coverages may not contain the following exclusions/limitations:

- (a) Athletic or Sports Participation
- (b) Products/Completed Operations
- (c) Personal Injury or Advertising Injury
- (d) Contractual Liability (unless expressly and specifically excluding this NPS contract # from the exclusion/limitation)
- (e) Explosion, Collapse and Underground Property Damage
- (f) Total Pollution

B) Automobile Liability Insurance

Coverage will be provided for bodily injury or property damage arising out of the ownership, maintenance or use of “any auto,”

Bodily Injury and Property Damage (combined) \$1,000,000 per occurrence*.

**or those minimum limits required by the Umbrella/excess liability insurer*

C) Environmental Impairment Liability

Coverage will be provided for bodily injury, personal injury or property damage arising out of pollutants or contaminants (on site and/off site).

- Each Occurrence or Each Claim Limit \$ 1,000,000
- Aggregate Limit \$ 1,000,000

D) Excess Liability or Excess “Umbrella” Liability

This coverage is not required, but may be used to supplement any of the above Liability coverage policies in order to arrive at the required minimum limit of liability. If maintained, coverage will be provided for bodily injury, property damage, and personal or advertising injury liability in excess of scheduled underlying insurance. In addition, coverage shall be at least as broad as that provided by underlying insurance policies and the limits of underlying insurance shall be sufficient to prevent any gap between such minimum limits and the attachment point of the coverage afforded under the Excess Liability or Excess “Umbrella” Liability policy. If the coverage afforded by the excess or

umbrella policy results in limits greater than the limits required hereunder, then the greater limit shall be available to the Service in the event of a loss.

Note: An excess or “umbrella” liability policy may be used to achieve the liability limits outlined above. However, if a lower limit of liability is used for a subordinate policy, then the limit of liability under the umbrella policy must be that limit necessary to achieve the full limit of liability required for the subject policy. For instance, the General Liability policy requires a \$10M limit of liability. If the limit of liability provided under the General liability policy is \$1M, then the umbrella policy must provide a limit of at least \$9M to provide the total requirement of \$10M. Since the Umbrella/Excess policy applies over both the automobile and the commercial general liability policy, a single limit under the excess policy is all that will be required.

E) Special Provisions for Use of Aggregate Policies

At such time as the aggregate limit of any required policy is (or if it appears that it will be) reduced or exhausted, the Concessioner may be required to reinstate such limit or purchase additional coverage limits. The General Aggregate under the Commercial General Liability policy must apply on a “per location” basis. The Certificate of Insurance required herein will note compliance with this aggregate provision.

F) Self-Insured Retentions

Self-insured retentions on any of the above described Liability insurance policies (other than Excess “Umbrella” Liability, if maintained) may not exceed \$10,000 without prior approval of the Director.

G) Workers Compensation & Employers' Liability

Coverage will comply with the statutory requirements of the state(s) in which the Concessioner operates. The State(s) of concession operation must be specifically included for coverage under the policy. The Employers Liability limit will not be less than \$1,000,000.

III. PROPERTY INSURANCE

A) Building(s) and/or Contents Coverage

- 1) Amount of Insurance (Building) 100 percent of replacement value as listed in Exhibit C (without deduction for physical depreciation)
- 2) Amount of Insurance (Contents) 100 percent of replacement value (without deduction for physical depreciation)
- 3) Amount of Insurance (Inventory) 100 percent of replacement value (without deduction for physical depreciation)

- 4) Insurance shall cover buildings, structures, improvements & betterments and/or contents for all Concession Facilities, as more specifically described in Exhibit C of this CONTRACT.
- 5) Coverage shall apply on an “All Risks” or “Special Coverage” basis.
- 6) Flood Coverage will be maintained at the maximum limit available not to exceed 100% replacement value (without deduction for physical depreciation).
- 7) Earthquake Coverage will be maintained at the maximum limit available not to exceed 100% replacement value (without deduction for physical depreciation).
- 8) The policy shall provide for loss recovery on a Replacement value basis (without deduction for physical depreciation).
- 9) The amount of insurance, except for the inventory, should represent no less than 100 percent of the Replacement Cost value of the sum total of all insured property. Inventory shall be insured at 100 percent of the selling price of the products held for sale.
- 10) The coinsurance provision, if any, shall be waived or suspended by an Agreed Amount or Agreed Value clause.
- 11) Coverage is to be provided on a blanket basis
- 12) The Vacancy and unoccupancy restriction, if any, must be eliminated for property that will be vacant or unoccupied beyond any time period specified in the policy.
- 13) Ordinance or Law, demolition and increased cost of construction Coverage shall be maintained with a limit of not less than the building replacement value (without deduction for physical depreciation) listed in Exhibit C.

B) Boiler & Machinery Coverage

- 1) Insurance will apply on the “comprehensive” basis of coverage including all objects within the Concession Facilities. Production equipment is to be included if applicable.
- 2) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 3) The amount of insurance must represent no less than 100% of the replacement value (without deduction for physical depreciation) of the sum total of all insured property.
- 4) The coinsurance provision, if any, must be waived or suspended by an Agreed Amount or Agreed Value clause.
- 5) Coverage is to be provided on a blanket basis.
- 6) If insurance is written with a different insurer than the Building(s) and Contents insurance, both the Property and Boiler insurance policies must be endorsed with a joint loss agreement.
- 7) Ordinance or Law, demolition and increased cost of construction Coverage must be maintained with a limit of not less than the building replacement value (without deduction for physical depreciation) listed in Exhibit C.

C) Business Interruption and/or Expense

- 1) Business Interruption insurance and extra expense insurance must cover the loss of income and continuation of fixed expenses in the event of damage to or loss of Concession Facilities, including, without limitation and with respect to the interests of the Service, the loss (or reduction) of franchise fee payments to the Service by the Concessioner. Extra Expense insurance shall cover the extra expenses above normal operating expenses to continue operations in the event of damage or loss to covered property. The coverage to be provided shall be at least that calculated as follows:

Anticipated annual Gross revenue from operations	\$ _____
Less non-continuing expenses	(\$ _____)
Total:	\$ _____
Prorated by ratio of days of operation over 365 =	x <u>percentage</u>
Business Interruption limit	\$ _____

D) Deductibles

Property Insurance coverages described above may be subject to deductibles as follows:

- 1) Direct Damage deductibles must not exceed the lesser of 10 percent of the amount of insurance or \$25,000 (except Flood & Earthquake coverage may be subject to deductibles not exceeding \$50,000).
- 2) Extra Expense deductibles (when coverage is not combined with Business Interruption) shall not exceed \$25,000.

Required Clauses

Loss Payable Clause:

A loss payable clause similar to the following must be added to Buildings and/or Contents,

Boiler and Machinery, and Builders Risk policies:

“In accordance with Concession Contract No. _____ dated _____, between the United States of America and [*the Concessioner*] payment of insurance proceeds resulting from damage or loss of structures insured under this policy is to be disbursed directly to the Concessioner without requiring endorsement by the United States of America.”

IV. INSURANCE COMPANY MINIMUM STANDARDS

All insurance companies providing the above described insurance coverages must meet the minimum standards set forth below:

- 1) All insurers for all coverages must be rated no lower than A- by the most recent edition of A.M. Best's Key Rating Guide (Property-Casualty edition).

- 2) All insurers for all coverages must have a Best's Financial Size Category of at least VII according to the most recent edition of A.M. Best's Key Rating Guide (Property-Casualty edition).
- 3) All insurers must be admitted (licensed) or approved in the State of Wyoming.

V. CERTIFICATES OF INSURANCE

All certificates of Insurance required by this CONTRACT shall be completed in sufficient detail to allow easy identification of the coverages, limits, and coverage amendments that are described above. In addition, the insurance companies must be accurately listed along with their A.M. Best Identification Number ("AMB#"). The name, address and telephone number of the issuing insurance agent or broker must be clearly shown on the certificate of insurance as well.

Due to the space limitations of most standard certificates of insurance, it is expected that an addendum will be attached to the appropriate certificate(s) in order to provide the space needed to show the required information.

In addition to providing certificates of insurance, the Concessioner, upon written request of the Director, shall provide the Director with a complete copy of any of the insurance policies (or endorsements thereto) required herein to be maintained by the Concessioner.

The Certificate of Insurance shall contain a notation that the insurance coverage represented therein complies with the provisions of this agreement as outlined in Exhibit F and Section 12 of the main body of this Contract.

The notice of cancellation provision of the certificate shall have any and all qualifying language such as: "*We will endeavor to provide*" or "*failure to provide said notice will not place any liability upon the company or its representative*" deleted from its terms.

VI. STATUTORY LIMITS

In the event that a statutorily required limit exceeds a limit required herein, the higher statutorily required limit is to be considered the minimum to be maintained. In the event that the statutorily required limit is less than the limits required herein, the limits required herein shall control.