**Exhibit ­­­­\_\_\_\_\_**

Operator shall maintain and require its subcontractors and agents to maintain insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*.

County reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. County’s failure to demand evidence of full compliance with the insurance requirements set forth in this Permit or County’s failure to identify any insurance deficiency shall not relieve Operator from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the term of this Permit.

1. Workers Compensation Insurance & Employers Liability Insurance
2. Required if Operator has employees entitled to Workers Compensation benefits under the Labor Code of California.
3. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
4. Employers Liability with limits of $1,000,000 per Accident; $1,000,000 Disease per employee; $1,000,000 Disease per policy.
5. Required Evidence of Insurance: Certificate of Insurance.

*If Operator currently has no employees entitled to Workers Compensation benefits under the Labor Code of California, Operator agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should such employees be engaged during the term of this Permit or any extensions of the term.*

1. General Liability Insurance
   1. Commercial General Liability Insurance on a standard occurrence form (ISO CG 00 01 or equivalent), **or** Aviation Liability Insurance with premises/ground operations endorsement covering balloon launch and recovery sites.
   2. Minimum Limits: $1,000,000 per Occurrence; $2,000,000 General Aggregate (if available). The required limits may be provided by a combination of General Liability Insurance, Aviation Liability Insurance, and/or Commercial Excess or Umbrella Liability Insurance. If Operator maintains higher limits than the specified minimum limits, County requires and shall be entitled to coverage for the higher limits maintained by Operator.
   3. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds $25,000 it must be approved in advance by County. Operator is responsible for any deductible or self-insured retention and shall fund it upon County’s written request, regardless of whether Operator has a claim against the insurance or is named as a party in any action involving the County.
   4. The County of Sonoma, its officers, agents and employees shall be endorsed as additional insureds for liability arising out of the Operator's ongoing operations. (ISO endorsement CG 20 26 or equivalent.)
   5. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
   6. The policy shall cover inter-insured suits between County and Operator and include a “separation of insureds” or “severability” clause which treats each insured separately.
   7. Required Evidence of Insurance:
      1. Copy of the endorsement or policy language indicating that insurance is primary and non-contributory;
      2. Copy of the additional insured endorsement or policy language granting additional insured status (for General Liability or Aviation Liability coverage, as applicable); and
      3. Certificate of Insurance.
2. Automobile Liability Insurance
   1. Minimum Limit: $1,000,000 combined single limit per accident. The required limit may be satisfied by a combination of Automobile Liability Insurance and either Commercial Excess or Commercial Umbrella Liability Insurance.
   2. Insurance shall coverall owned autos. *(Required if Operator owns vehicles.)*
   3. Insurance shall cover all hired and non-owned vehicles.
   4. Coverage must include chase/recovery vehicles used in connection with balloon operations.
   5. Required Evidence of Insurance: Certificate of Insurance.
3. **Aircraft Liability Insurance**
   1. Aircraft (Aviation) Liability Insurance covering hot-air balloons, written on a commercial basis..
   2. Minimum Limits: $1,000,000 per occurrence for a balloon carrying up to 10 passengers, with additional liability insurance of $100,000 for each passenger for any balloon carrying more than 10 passengers.
   3. Insurance shall apply to owned and non-owned hot-air balloons.
   4. County of Sonoma, its officers, agents and employees shall be endorsed as additional insureds for liability arising out of the operation of hot-air balloons in connection with this Permit.
   5. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
   6. *Required Evidence of Insurance*: Certificate of Insurance issued by the aircraft liability insurance company indicating coverages and additional insured status in accordance with 4.a. through 4.e. above. A certificate issued by the insurance broker is not acceptable.
4. Standards for Insurance Companies

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

1. Documentation
2. Operator shall submit all required Evidence of Insurance prior to the execution of this Permit. Operator agrees to maintain current Evidence of Insurance on file with County for the entire term of this Permit.
3. The name and address for Additional Insured Endorsements and Certificates of Insurance is: County of Sonoma, its officers, agents and employees, c/o Airport Manager, Charles M. Schulz – Sonoma County Airport, 2290 Airport Boulevard, Santa Rosa, CA 95403.
4. **Policy Obligations**

Operator’s indemnity and other obligations shall not be limited by the foregoing insurance requirements.