**Exhibit ­­­­\_\_\_\_\_**

Operator shall 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 Agreement 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 Agreement.

1. Aircraft Liability Insurance
   1. Aircraft Liability Insurance covering hot-air balloons.
   2. Minimum Limits: $1,000,000 per occurrence. For balloons carrying more than 10 passengers, an additional $100,000 per passenger is required. $2,000,000 aggregate if available.
   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 Agreement.
   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 1.a. through 1.e. above. A certificate issued by the insurance broker is not acceptable.
2. Automobile Liability Insurance
   1. Minimum Limits: $500,000 combined single limit per accident. The required limit may be satisfied by a combination of Automobile Liability Insurance and either Commercial Excess or Umbrella Liability Insurance**.**
   2. Insurance shall cover all owned autos. (Required if Operator owns vehicles.)
   3. Insurance shall cover all hired and non-owned vehicles.
   4. Insurance shall cover chase/recovery vehicles used in connection with balloon operations.
   5. Required Evidence of Insurance: Copy of Auto Policy Declarations Page or Certificate of Insurance.
3. **Workers’ Compensation Insurance & Employers Liability Insurance**
   1. Required if Operator has employees entitled to Workers’ Compensation benefits under the Labor Code of California
   2. Workers’ Compensation insurance with statutory limits as required by the Labor Code of the State of California.
   3. Employers Liability with limits of $1,000,000 per Accident; $1,000,000 Disease per employee; $1,000,000 Disease per policy.
   4. Required Evidence of Insurance: Certificate of Insurance.

*(If Operator currently has no employees entitled to Workers’ Compensation benefits, Operator agrees to obtain coverage if such employees are engaged during the term of this Agreement.)*

1. 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 Agreement.
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.