

## **Insurance Requirements**

### **INDEMNIFICATION AND HOLD HARMLESS**

Lessee agrees to indemnify and hold Lessor and the property of Lessor, including the Premises and Equipment, free and harmless, and to defend Lessor and Lessor's agents, from any and all claims, liability, loss, damage or expenses of any kind, including without limitation attorney's fees and court costs incurred, suffered or claimed by any person whomsoever, resulting from or by reason of Lessee's occupation and use of said Premises and Equipment specifically including, without limitation, any claim, liability, loss or damage arising by reason of:

- (a) The death or injury of any person or persons, including Lessee or any person who is an employee or agent of Lessee, or by reason of the damage to or destruction of any property including the property owned by Lessee, or any person who is an employee or agent of Lessee, caused by either the condition of said Premises or Equipment or some act or omission of Lessee or of some agent, contract employee, servant, sub lessee, or concessionaire of Lessee on said Premises;
- (b) Any work performed on said Premises or materials furnished to said Premises at the instance or request of Lessee or any agent of employee of Lessee; and
- (c) Lessee's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on Lessor or Lessee by any duly authorized governmental agency or political subdivision which pertains to the leased Premises or to any activities conducted thereon.

Lessor shall not be liable for any damage to, or loss of, property upon the Premises belonging to Lessee, its employees, agents, visitors, licensees or other persons in or about the Premises, or for damage or loss suffered by the business of Lessee, from any cause whatsoever. Lessee covenants that no claim shall be made against Lessor by Lessee, or by any agent or servant of Lessee, or by other claiming the right to be on the Premises through or under Lessee, for any injury, loss or damage to the Premises or to any person or property occurring upon the Premises from any cause other than the gross negligence of Lessor. In no event shall Lessor be liable to Lessee for any consequential damages sustained by Lessee arising out of the loss or damage to any property of Lessee.

### **INSURANCE**

#### **PUBLIC LIABILITY AND PROPERTY DAMAGE**

Lessee shall, at its cost, obtain and maintain at all times during the Tenn, for the

protection of Lessor and Lessee, public liability and property damage insurance including contractual liability insurance, with a combined personal injury and property damage limit of not less than \$2,000,000 for each occurrence, and not less than \$5,000,000 in the aggregate, insuring against all liability of Lessee and its representatives arising out of and in connection with Lessee's use or occupancy of the Premises and the Equipment. Lessor and Lessor's agents shall be named as co-insured and the policy shall contain cross-liability endorsements. All public liability insurance and property damage insurance shall insure performance by Lessee of the indemnity provisions of indemnification and hold harmless section.

#### FIRE AND EXTENDED COVERAGE

Lessee shall, at Lessee's cost, obtain and maintain at all times during the Tenn, fire and extended coverage insurance on the Premises, its contents, including any leasehold improvements made by Lessee, and on the Equipment, in an amount sufficient so that no coinsurance penalty shall be invoked in case of loss. Such policy shall also include vandalism and malicious mischief endorsements. Such policy shall provide coverage to the extent of at least 90% of full replacement value. The proceeds from any such policy shall be used by Lessee for the replacement of personal property or the restoration of the Lessee's improvements or alterations and the Premises. The insurance policy shall be issued in the names of the Lessor and Lessee, as their interests may appear. The insurance policy shall provide that any proceeds shall be made payable to Lessor. In case this Lease is terminated, the insurance policy and all rights under it or the insurance proceeds shall be assigned to Lessor, at Lessor's election. The full "replacement value" of the Premises and the Equipment to be insured under this Article 12 shall be determined by the company issuing the insurance policy at the time the policy is initially obtained.

#### COVERAGE INCREASE

Lessee shall increase its insurance coverage, as required, but not more frequently than each calendar year, if in the opinion of Lessor the amount of public liability and/or property damage insurance coverage at that time is not adequate.

#### APPROVED INSURANCE COMPANIES

All insurance required under this Lease shall be issued by insurance companies licensed to do business in California. Such companies shall have a policyholder rating of at least "A" and be assigned a financial size category of at least "Class X" as rated in the most recent edition of "Best's Key Rating Guide" for insurance companies. Each policy shall contain an endorsement requiring thirty (30) days written notice from the insurance company to Lessor before cancellation or any change in the coverage, scope or amount of any policy. Each policy, or a certificate showing it is in effect, together with evidence of payment of premiums, shall be deposited with Lessor on or before the Commencement Date, and renewal certificates or copies of renewal policies shall be delivered to Lessor at least thirty (30) days prior to the expiration date of any policy.

### SUBROGATION WAIVER

All policies covering real or personal property which either party obtains affecting the Premises and the Equipment shall include a clause or endorsement denying the insurer any rights of subrogation or recovery against the other party to the extent rights have been waived by the insured before the occurrence of injury or loss. Lessor and Lessee hereby waive any rights of subrogation or recovery against the other for damage or loss to their respective property due to hazards covered or which should be covered by policies of insurance obtained or which should be or have been obtained pursuant to the Lease, to the extent of the injury or loss covered thereby assuming that any deductible shall be deemed to be insurance coverage.

### INCREASE RATES

Lessee shall not do or suffer anything to be done on the Premises that will increase the rate of fire insurance on the Premises.

### NOTIFICATION

Lessee shall immediately notify Lessor of any damage to the Premises caused by fire or any other casualty.