

PLEASE PROVIDE THIS TO YOUR INSURANCE AGENT

INSURANCE REQUIREMENTS

Aircraft Storage Lease

SUBMIT CERTIFICATE OF INSURANCE TO:

Metropolitan Airports Commission

Kelly K. Ubel, Reliever Airports

6040 28th Ave So

Minneapolis, MN 55450

Fax: 612-970-9640

Email: Kelly.Ubel@mspmac.org

Phone: 612-467-0522

NOTE: The policy must be in the name of the Leaseholder and the certificate should reference the airport and lot number.

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13.0 Insurance and Indemnification

13.1 Required Insurance

Effective as of the earlier of the date Tenant enters or occupies the Leased Property or the Commencement Date, and continuing during the Lease Term, Tenant, at its expense, must obtain and maintain in full force the following insurance coverage:

- (i) Extended peril property insurance covering the **full replacement cost** of all Improvements, as well as trade fixtures and other personal property (if not otherwise insured) located on the Leased Property; and, if the Leased Property is located in a flood zone, flood insurance covering the full replacement cost of all Improvements and trade fixtures located on the Leased Property. The policy or policies must name MAC as a loss payee and provide that such proceeds be paid over to MAC as MAC's interests may appear.

In the alternative, Tenant may elect to carry a level of property insurance, and flood insurance, if applicable, acceptable to MAC's Insurance Risk Department in its reasonable judgment that is sufficient upon the happening of any peril to remove any debris caused by the peril, to properly eliminate any contamination caused by the peril and to otherwise return the Leased Property to buildable condition, with acceptable decontamination of environmental media to be verified by an independent contractor's sample test of leased property and impacted areas. If Tenant elects to carry this alternative type of insurance, Tenant's liability and further responsibility under this Lease will not be diminished.

- (ii) **If Tenant's square footage calculation, as listed on [Exhibit A](#), is equal to or greater than 5,625 ft.², Tenant must obtain and maintain commercial general liability insurance, with a minimum limit of \$1,000,000.00 per occurrence and \$2,000,000 aggregate. If Tenant's square footage calculation, as listed on [Exhibit A](#), is less than 5,625 ft.², Tenant must obtain and maintain commercial general liability insurance, with a minimum limit of \$1,000,000.00 per occurrence and in the aggregate.** In either case, the policy or policies must provide coverage for contractual liability, property damage, bodily injuries, or deaths of persons occurring at or incidental to the Leased Property, or at or incidental to the Airport if caused by the act or omission of Tenant or those for whom Tenant is responsible. The policy or policies must **name MAC as an additional insured** and must be primary and non-contributory by endorsement or by terms and conditions of the policy(s).
- (iii) Worker's compensation insurance with no less than the minimum limits required by law and employer's liability insurance with limits of \$1,000,000 each accident, \$1,000,000 disease – each employee, \$1,000,000 disease – policy limit, if Tenant has employees located at the Leased Property. The policy or policies must contain a waiver of subrogation in favor of MAC by endorsement or by terms and conditions of the policy(s).

If Tenant subleases all or any portion of the Leased Property, then Tenant agrees that Tenant's insurance policy or policies will act as contingent liability insurance, in the event that Subtenant's insurance coverage is exhausted, or Subtenant is otherwise insolvent or judgment proof.

MAC may from time to time require reasonable modification to the limits and coverages set forth in this [Section 13.1 \[Required Insurance\]](#), which modification will apply to Tenant and all other similarly situated tenants.

13.2 Form of Insurance/MAC's Rights

All required liability insurance policies must insure on an occurrence and not on a claims-made basis. All insurance policies must be issued by insurance companies that are licensed or admitted in Minnesota and have an A.M. Best rating of at least A-VII. Tenant is responsible for ensuring that all policies are not canceled, reduced, or materially changed unless **thirty (30) days prior written notice** has been given to MAC. Any policy issued to MAC providing duplicate or similar coverage is deemed excess over Tenant's policies by endorsement or by terms and conditions of the policy(s).

Tenant agrees to provide the insurance required above for the benefit of MAC, including all Losses (as defined below) of MAC. Tenant is responsible for all deductibles.

Original certificates using the most current standard ACORD form, or at MAC's option, copies of the policies evidencing coverage, must be delivered to MAC or to its designated agent at least ten (10) days prior to the Commencement Date and at least fifteen (15) days prior to each renewal of such insurance. If Tenant fails to comply with these insurance requirements, or to deliver to MAC copies of such policies and certificates evidencing the required coverage, MAC, in addition to any remedy available pursuant to this Lease or otherwise, and without providing any notices required under [Section 19 \[Default\]](#), may, but is not be obligated to, obtain such insurance, or a bond or other method of risk transfer, and Tenant must pay to MAC on demand the premium costs thereof, plus an administrative charge of twelve percent (12%).

Notwithstanding anything contained in this Lease to the contrary, Tenant waives all claims it may now have or may hereafter acquire against Indemnitee(s) with regard to or arising out of any loss or damage to the Leased Property and any of the Improvements, Tenant's trade fixtures or personal property, to the extent that Tenant is entitled to assert a claim and Tenant receives insurance proceeds under any of the insurance policies Tenant is required to maintain under [Section 13.1 \[Required Insurance\]](#) or under any other insurance policies Tenant may have in force and effect at the time of the loss or damage.

13.3 Indemnification

To the fullest extent permitted by law, Tenant agrees to indemnify, save harmless, and defend Indemnitees against all losses and liabilities, or claims thereof, arising out of or incident to past or present: (i) use of the Leased Property and Airport by Tenant; (ii) occupancy of the Leased Property by Tenant; (iii) operations of Tenant at the Leased

Property and Airport; or (iv) acts or omissions of Tenant's or Tenant's agents, licensees, Subtenants, or invitees, regardless of where the loss may occur (hereinafter, "Loss"). Tenant agrees to bear all reasonable costs of the investigation of and defense against any Loss. Tenant also agrees to bear all reasonable costs of MAC's actions taken in response to the Loss or in remedying the same. The costs mentioned in the previous two sentences include without limitation, the fees of laborers, attorneys, consultants, experts, and investigators, as well as the costs of supplies, materials, and equipment. Notwithstanding the foregoing four sentences, Tenant is not obligated to indemnify, save harmless, or defend an Indemnitee against any Loss to the extent a court of competent jurisdiction decides that such Loss resulted from an Indemnitee's sole negligence or intentional acts, or to the extent MAC Staff and Tenant mutually in writing agree that Tenant is not obligated.

MAC Staff will give Tenant reasonable notice of any Loss. In indemnifying or defending an Indemnitee, Tenant must use counsel reasonably acceptable to MAC Staff. MAC Staff, at its option, has the right to select its own counsel, or to approve joint counsel, as appropriate, and any experts for the defense. Tenant, at its expense, must provide MAC with all electronic or physical data and give access to any persons reasonably necessary to investigate and defend.

The provisions of this [Section 13.3](#) survive expiration or earlier termination of this Lease. The furnishing of the required insurance does not limit Tenant's obligations under this [Section 13.3](#).

As a distinct and separate indemnification obligation, Tenant agrees to indemnify, save harmless, and defend Indemnitees from any Loss arising out of Tenant's failure or alleged failure to procure and to keep in force the insurance required in [Section 13.1 \[Required Insurance\]](#).

This indemnification is intended for the indemnified parties and their legal representatives. The provided indemnification is not intended to relieve a primary insurer of its coverage obligations.