

INSURANCE INFORMATION ALERT

TO: ALL CFSA MEMBER FAIRS

FROM: Charlie Mitchell, Risk Manager

SUBJECT: CFSA GENERAL LIABILITY OPERATING MEMOS #06-02 AND #06-03; #06-02 FOR SOME REDUCTIONS IN MINIMUM LIABILITY LIMITS FOR CERTAIN ACTIVITIES; REVISED ADDITIONAL INSURED LANGUAGE ON INSURANCE CERTIFICATES; AND #06-03 FOR FAIR PROMOTED MOTORIZED AND RODEO EVENTS

DATE: April 27, 2006

The enclosed CFSA General Liability Program Operating Memorandum #06-02 becomes effective June 1, 2006, and applies to all fairs participating in CFSA's General Liability Program. CFSA Operating Memorandum #06-02 replaces CFSA Operating Memorandum #02-01, and it reflects the following changes:

- ◆ The minimum liability limits for arena or track only motorcycle racing and go-cart racing will be reduced to \$2,000,000 from \$3,000,000.
- ◆ The minimum liability limits for fairtime kiddie carnival rides of up to 6 rides will be reduced to \$2,000,000 from \$5,000,000.
- ◆ Additional Insured Language required on certificates of insurance for each of the activities listed in Section 1 of Operating Memorandum #06-02 is revised to include "Lessor/Sublessor if fair site is leased/subleased".

The above changes were made in response to member requests of CFSA's Board of Directors that CFSA research alternative strategies for fairtime carnival rides and motorized events that could protect the facility user, the fair and the liability risk pool without restricting events critical to fair revenue and community involvement.

The revision in the additional insured language is to broaden the scope of those covered to include the Lessor or Sublessor of a fair site when the site is not owned by the fair.

NOTE: Please file this ALERT under General Liability Section 3, General Liability Memorandum, in your Claim & Loss Reporting Guide - 3rd Edition (The CFSA "Red Book").

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The enclosed CFSA General Liability Program Operating Memorandum #06-03 also becomes effective June 1, 2006. CFSA Operating Memorandum #06-03 replaces CFSA Operating Memorandum #05-01, and it reflects the following changes:

- ◆ Requires fairs promoting motorized events and rodeo events to comply with current minimum liability limits required of fair contractors promoting same type of events.

And, in conclusion, REVISED CFSA Insurance Requirements are attached **which must be made a part of all STATE AND COUNTY fair contracts and rental agreements, including any extensions of contracts and rental agreements, entered into by a CFSA participating fair on or after June 1, 2006.** Revisions include adding "Lessor/Sublessor if fair site is leased/subleased" to the additional insured language provisions and clarifying the use of participant waiver forms for hazardous participant events.

Please remember, if you experience difficulty with your vendors in obtaining the required minimum liability limits, call CFSA. We are here to assist you and your fair facility users when an insurance coverage issue arises. Call me at (916) 263-6150 or Lianne Lewellen, CFSA's Risk Analyst, at (916) 263-6145.

Thank you for your continued cooperation. This is your pooled program and whatever we can do together to keep losses down, will continue to keep your fees down.

Enclosures

cc Division of Fairs & Expositions

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