

SUMMARY OF PROTECTION REVENUE PROTECTION PROGRAM

CFSA administers the Revenue Protection Program to reimburse participating fairs for certain revenue interruption losses from a special risk pooling arrangement which was initially funded by the California Department of Food and Agriculture. The Memorandum Describing the Revenue Protection Program Administered by the California Fair Services Authority is to be used to determine the actual protections, maximum limits, conditions, limitations and definitions for the Program.

Highlights of the Program protections are as follows:

- ◆ Protection is available for loss of fair time event or covered interim event revenue as well as extra expenses resulting from an interruption of a fair's business caused by an occurrence.
- ◆ An occurrence could be an accidental loss of or damage to property; earthquake; flood; climate conditions, such as rain, sleet or snow; excessive heat; unhealthy air quality; riot or civil commotion; or specific acts of government, such as controls on transportation or declared emergency or disaster.
- ◆ Fair selects limits of protection from \$50,000 to \$500,000 for events with a three year revenue history for a fixed fee based on the maximum limit of protection selected and number of covered event weekends.
- ◆ Protection is available for events with one or two years of revenue history or a significant change in event date for a higher fee and reduced limits of protection.
- ◆ All decisions on claims are made by the Program Claims Committee, which includes two representatives of the fair industry.
- ◆ For each approved claim, the Program pays 80% of the total approved loss up to the limits of protection purchased for an event with at least a three year revenue history on the same dates. The percentage paid is reduced to 70% for events with less than a three year revenue history on the same dates.
- ◆ The protection is in excess over any other available insurance or self-insurance.
- ◆ Participation in the Program is voluntary.
- ◆ Fair pays fees for covered events during the first 90 days of the annual protection period beginning January 1 of each year. For events occurring within the first 90 days, fees must be paid within 30 days of the event. Fees are non-refundable.
- ◆ There is a two year waiting period for re-entry if a fair withdraws from the Program. There are special provisions for re-entry after one year from withdrawal.
- ◆ An excess policy provides \$1,000,000 in protection for all fairs when claims in a year exceed \$600,000.
- ◆ The current Revenue Protection Fee Schedule is attached.

If you have specific questions regarding the Revenue Protection Program administered by CFSA, please call Rick Wood at (916) 263-6147.