

LAGUNA SECA RECREATION AREA

Facility Use Agreement

This Master Facility Use Agreement ("Agreement") is made and entered into as of this ___ day of ____, 2013 by and between the COUNTY OF MONTEREY, hereafter referred to as "COUNTY", and THE SEA OTTER CLASSIC, INC, doing business as THE SEA OTTER CLASSIC Sports Festival, hereafter referred to as "SEA OTTER CLASSIC", relative to an annual Sports Festival event at the Laguna Seca Recreation Area and related facilities.

WHEREAS, COUNTY owns and operates Laguna Seca Recreation Area and other County Park facilities; and

WHEREAS, SEA OTTER CLASSIC desires to utilize the Laguna Seca Recreation Area Facility and other County Park property to promote and conduct an annual bicycle focused sports event; and

WHEREAS, COUNTY is willing to grant to SEA OTTER CLASSIC a license to use the Laguna Seca Recreation Area, including its racetrack, Laguna Seca Lakebed special event area, Trackview Pavilion, Turn 5 parking area, Swale parking area, Paddock parking area, Turn 10 parking area, Red 9 parking area, Wolf Hill parking area, Lookout Ridge parking area, all camping facilities, former Off Highway Vehicle Area (OHV), TT Track, and the fire break along the west side of the park adjacent to the Rifle/Pistol Range. (See attached Exhibit A for map of Laguna Seca Recreation Area indicating areas referenced herein.)

WHEREAS, the Parties desire to enter into a long-term Facility Use Agreement for the production of an annual bicycle focused Sports Festival.

NOW, THEREFORE, the Parties agree as follows:

SECTION I – USE OF FACILITIES

- A. SEA OTTER CLASSIC will be allowed to use the entire Laguna Seca Recreation Area facility, excluding the Rifle Range, and the Sports Car Racing Association of the Monterey Peninsula (SCRAMP) facilities for a Sports Festival to be held annually on a Thursday, Friday, Saturday and Sunday as set forth in Section II, below. Maximum attendance of 20,000 persons per day (including campers). If the five-year extension set forth in Section II, below, is mutually agreed upon by the Parties, it is intended that the same or similar scheduling terms indicated herein shall be implemented for years 2018 through 2022 if feasible.
- B. In addition to the actual days that the Sports Festival is being held as set forth in Section II below, SEA OTTER CLASSIC will have access to the indicated Laguna Seca Recreation Area facilities according to the schedule below. Each Party shall give notice to the other Party by October 1st of the year prior to the next annual Sports Festival event if the following schedule requires modification(s):

- 1) The Swale area shall be available to SEA OTTER CLASSIC beginning at 8:00 am forty five (45) days prior to the Sports Festival for set-up and such availability shall conclude and terminate at 5:00 pm five (5) days following the Sports Festival.
- 2) The Lakebed Special Event Area (including Turn 2 parking) shall be available to SEA OTTER CLASSIC beginning at 8:00 am twenty one (21) days prior to the Sports Festival weekend for set-up and such availability shall conclude and terminate at 5:00 pm five (5) days following the Sports Festival.
- 3) The fire break adjacent to the Rifle/Pistol Range shall be available to SEA OTTER CLASSIC at 8:00 am ten (10) days prior to the Sports Festival for set-up and such availability shall conclude and terminate at 5:00 pm three (3) days following the Sports Festival.
- 4) The Trackview Pavilion shall be available to SEA OTTER CLASSIC beginning at 8:00 am six (6) days prior to the Sports Festival for set up and such availability shall conclude and terminate at 7:00 am on the Monday following the Sports Festival.
- 5) The Red 9, Wolf Hill and Lookout Ridge parking areas shall be available to SEA OTTER CLASSIC at 8:00 am seven (7) days prior to the Sports Festival for set up and such availability shall conclude and terminate at 5:00 pm three (3) days following the Sports Festival.
- 6) The Paddock shall be available to SEA OTTER CLASSIC beginning at 8:00 am three (3) days prior to the Sports Festival for set up and such availability shall conclude and terminate at 5:00 pm two (2) days following the Sports Festival.
- 7) The Racetrack and Paddock Classroom building shall be available to SEA OTTER CLASSIC beginning at 5:00 pm on the day prior to the Sports Festival and such availability shall conclude and terminate at 8:00 am on the day following the Sports Festival.
- 8) All available Laguna Seca Recreation Area campground sites shall be available to SEA OTTER CLASSIC beginning at 2:00 p.m. on Wednesday prior to the Sports Festival and such availability shall conclude and terminate on 2:00 p.m. on Sunday of the Sports Festival. SEA OTTER CLASSIC shall collect camping fees and reimburse COUNTY at the rate established in Section III, below.
- 9) All other utilized Laguna Seca Recreation Area facilities shall be made available to SEA OTTER CLASSIC commencing at 8:00 am three (3) days prior to the Sports Festival for set up and such availability shall conclude and terminate at 7:00 am on the Monday following the Sports Festival.
- 10) All areas of the Laguna Seca Recreation Area made available to SEA OTTER CLASSIC for use during the Sports Festival shall be ready for use by COUNTY or its assigned no later than the day and time indicated above; SEA OTTER CLASSIC shall specifically indemnify and defend COUNTY for any claims or damages for the area(s) not being ready for use on that day and time.

11) SEA OTTER CLASSIC may arrange with COUNTY to utilize areas and facilities as indicated in sections 8 and 9, or otherwise mutually agreed to by the parties, during the indicated periods above for temporary camping for attendees exempt from payment as set forth in section IIIB, below to facilitate set-up and/or tear-down of the Sports Festival.

- C. SEA OTTER CLASSIC shall be allowed to use Wolf Hill and Lookout Ridge for overflow camping and cycling events if necessary and available and upon reasonable written notice to COUNTY. Cycling activities in these areas must be separately approved by COUNTY. If Sea Otter desires to utilize Toro Park or other County property as part of the Sports Festival, the parties shall negotiate for that use separately.
- D. During the days of operation of the Sports Festival, COUNTY will close down the Racetrack to motorized racing and other noise generating activities. COUNTY reserves the right to operate the Rifle Range at its discretion if SEA OTTER CLASSIC has given COUNTY notice at least thirty (30) days prior to the Sports Festival that the area surrounding the Rifle Range is not being utilized as part of the Sports Festival.
- E. The Laguna Seca Recreation Area will be provided on an "as-is" basis. In addition to the permanent facilities, for areas that are open to the public during the Sports Festival, the COUNTY will provide and maintain permanent restroom facilities and portable chemical toilets to meet the Monterey County Health Department's standards and requirements, provide all trash cans, recycle containers, can liners, and twenty yard dumpsters as required, and will clean the public areas of all litter and trash prior to the transfer of the area to SEA OTTER CLASSIC. Areas not open to the public during the Sports Festival shall be the responsibility of SEA OTTER CLASSIC.
- F. Subject to availability, COUNTY will make available to SEA OTTER CLASSIC traffic cones, barricades, water buffalos, grey water tanks, and pots and pans washing stations to SEA OTTER CLASSIC at no additional charge. SEA OTTER CLASSIC shall be responsible for any damage to said items.
- G. SEA OTTER CLASSIC shall be responsible for maintaining the entire Laguna Seca Recreation Area from litter and trash during the Sports Festival and shall assure all SEA OTTER CLASSIC vendors and contractors meet the requirements for sanitation and litter of their individual areas. SEA OTTER CLASSIC shall be ultimately responsible for collecting and removing all litter and trash from the Laguna Seca Recreation Area facility and depositing it in dumpsters provided by the COUNTY within 24 hours following the conclusion of the Sports Festival. As part of the collection and disposal of all trash and litter, SEA OTTER CLASSIC shall develop and implement a plan to recycle waste products (including but not limited to aluminum, glass, plastic, cardboard, and cooking oils) generated by the Sports Festival to the greatest extent possible and feasible.
- H. As COUNTY develops additional permanent facilities within the Laguna Seca Lakebed Special Event Area, such as building structures or tent structures, SEA OTTER CLASSIC will have the option of negotiating with COUNTY for utilization of these additional facilities at that time.
- I. Subject to availability, SEA OTTER CLASSIC will be allowed the opportunity to reserve the Trackview Pavilion or other available meeting facility, at no additional charge, for four (4) days per year for staff planning meetings. This utilization is in addition to the Trackview Pavilion

usage noted above, and may not be sublet. If utilized SEA OTTER CLASSIC shall be responsible for any damage to the facility.

- J. Subject to space availability and the sole discretion of COUNTY, SEA OTTER CLASSIC may be authorized to store up to five standard shipping/cargo containers of up to 40 feet long x 8 feet wide x 10 feet high for personal property (non-hazardous material) storage at the Laguna Seca Recreation Area. Neither the containers nor the space within may be sublet or used for commercial or business purposes other than the storage of SEA OTTER CLASSIC's non-hazardous personal property. The exact location for the placement of the containers shall be at the sole discretion of COUNTY. The authorization for placement and use may be granted or withheld by COUNTY, without any reason given, whether reasonable or not. If such storage is authorized, the cost and maintenance of the containers is entirely that of SEA OTTER CLASSIC, who shall be required to maintain and keep them in a clean, painted, rust free, and secure condition. COUNTY shall have no liability of any kind for the containers or their contents, for any reason or arising from any claim or source or reason. SEA OTTER CLASSIC's duty to indemnify and insure COUNTY as stated in Sections VII and VIII, below, shall apply to any claim for damage or injury to anything or anyone, arising from the existence, presence, or contents of the containers. At the sole discretion of COUNTY, with or without cause, with thirty (30) days notice, COUNTY may require that SEA OTTER CLASSIC move or remove some or all of the containers, and SEA OTTER CLASSIC shall be solely responsible for arranging and the cost of such move/removal. Within 60 days of the termination of this Agreement, SEA OTTER CLASSIC shall remove any previously approved containers at its own cost and return the area to its original condition. If SEA OTTER CLASSIC fails to move or remove any storage container when given notice and directed to do so, COUNTY may, without waiving any other right, remove, sell, use, or otherwise dispose of the containers and their contents, and SEA OTTER CLASSIC shall hold COUNTY harmless for such action.

SECTION II - FACILITY USE DATES AND TERM

- A. COUNTY will provide the facilities as described above to SEA OTTER CLASSIC for the bicycle focused Sports Festival during the month of April in the years 2013 through 2017 as a Parks Department primary special event weekend, subject to the Laguna Seca Recreation Area use permit, the SCRAMP and County of Monterey agreement scheduling priority (which provides SCRAMP with first priority on dates for major races) and the Force Majeure, Section IX, of this Agreement. Sea Otter Classic shall conduct the Sports Festival on the following dates during years 2013-2017:

April 18-21, 2013
April 10 -13, 2014
April 16-19, 2015
April 14-17, 2016
April 20-23, 2017

COUNTY reserves the right and shall maintain final control of scheduling of events, including the Sports Festival, at the Laguna Seca Recreation Area. The above scheduled dates can be changed only by mutual agreement between the parties.

- B. In calendar year 2016, the Parties agree to meet and discuss and negotiate in good faith the potential mutually agreeable extension of this Agreement for an additional five year period, 2018 through 2022. The exact provisions and conditions of that extension, including but not limited to fees, window of Sports Festival dates, insurance, and/or available infrastructure shall be subject to negotiation or renegotiation at that time.

SECTION III – PAYMENT

- A. The SEA OTTER CLASSIC shall pay COUNTY at the rates specified below for Laguna Seca Recreation Area Sports Festival event use, for camping fees, and for vehicle park entrance fees on the days the Sports Festival is open to the general public. Such payment is not required for those attendees who qualify for an exception pursuant to Paragraph “B” below.

The SEA OTTER CLASSIC Sports Festival event use fees are as follows:

- 1) Track & Paddock use: Years 2013 through 2014 -- \$5,000 per day
 Years 2015 through 2017 -- \$6,000 per day
 Years 2018-2022 – To be determined at the time and if the five-
 year extension is enacted.

2) The daily camping fees are as follows:

a) Primitive Camping-\$12 per vehicle per primitive site (Years 2013-2017)
Primitive campsites are sites not typically used for camping. The sites have no amenities. Years 2018 through 2022 to be determined at the time and if five-year extension is enacted.

b) Unimproved Camping-\$16 per vehicle per unimproved site (Years 2013-17)
Unimproved campsites are sites typically used for tent camping. The sites are individually marked and may have fire rings and picnic tables but do not have utility service. Years 2018 through 2022 to be determined at the time and if five-year extension is enacted.

c) Utility Camping-\$20 per vehicle per utility site (Years 2013-2017)
Utility campsites are sites typically used for RV camping. The sites are individually marked and have water and electric hookups. The sites may also have fire rings and picnic tables. Years 2018 through 2022 to be determined at the time and if the five-year extension is enacted.

d) The number of campsites available in each camping area described above shall be provided by COUNTY to SEA OTTER CLASSIC no later than October 1st prior to the next annual Sports Festival.

3) The day use vehicle park entrance fees will be as follows:

 Year 2013through 2014 -- \$6 per vehicle

 Years 2015through 2017 -- \$7 per vehicle

 Years 2018 through 2022 – to be determined at such time and if
 the extension is enacted.

- B. SEA OTTER CLASSIC will be allowed a day use vehicle exemption of up to 12,000 per Sports Festival event for staff, volunteers, vendors as necessary to ensure successful operation of the Sports Festival event. COUNTY will be allowed to issue 100 free vehicle day-use admission passes per day for its guests, invitees, and staff for the Sports Festival. SEA OTTER CLASSIC shall use discretion so as not to abuse the vehicle passes, and shall develop, for approval by COUNTY, a control plan which includes the number of passes needed by SEA OTTER CLASSIC.
- C. COUNTY will not receive any share of revenue from sale of food, beverages, merchandise, booth rental space, race entry fees, and/or sponsorship from the Sports Festival.
- D. Prior to each annual event, SEA OTTER CLASSIC shall pay to COUNTY a non-refundable deposit of \$5,000, payable \$2,500 not later than January 1st and \$2,500 not later than March 1st in the year of the applicable Sports Festival. The deposit will be applied to the full payment due COUNTY for the Sports Festival. If through no fault of COUNTY the Sports Festival is canceled or the admission charges payable to COUNTY are less than \$5,000, then COUNTY shall nevertheless retain the full amount of the deposit. The daily vehicle park entrance fees and 80% of estimated camping fees will be collected by SEA OTTER CLASSIC and turned in to COUNTY within ten (10) calendar days following the Sports Festival. Within thirty (30) days following the Sports Festival, SEA OTTER CLASSIC shall submit a Financial Statement and final payment to COUNTY. COUNTY shall have the right to inspect and audit SEA OTTER CLASSIC's books and records at reasonable times and upon reasonable notice with respect to vehicle/entrance admission and camping transactions.

SECTION IV-PROMOTION, PUBLICITY, AND ADVERTISING

- A. COUNTY hereby authorizes SEA OTTER CLASSIC to use the name "Laguna Seca Recreation Area" subject to this Agreement in its promotional information that must be approved by COUNTY prior to final printing or release. In the event that the name of the Laguna Seca Recreation Area Facility as a whole is changed, by way of a naming rights agreement with COUNTY or by other action or cause, SEA OTTER CLASSIC shall be required to use the new name in its promotional information. COUNTY will promote SEA OTTER CLASSIC on the COUNTY marquee sign on Highway 68 in front of Laguna Seca for at least one week prior to the Sports Festival and for an additional time period, if available, to be determined by COUNTY.
- B. Further, SEA OTTER CLASSIC may, at its own expense, have a reasonably sized sign (not exceeding 32 square feet) painted, erected and maintained within the Laguna Seca Recreation Area facility. The sign may remain for the duration of this Agreement. The content, format, color schemes, and location of all signs shall be subject to the Laguna Seca Sign Plan and approval by COUNTY. Said approval shall not be unreasonably withheld.
- C. COUNTY will promote and publicize the Sports Festival event in its Calendar of Events and other calendars of events to which COUNTY posts information.
- D. COUNTY authorizes SEA OTTER CLASSIC to attach temporary signage on all appropriate County structures within the park. Except as may otherwise be limited by current contractual restrictions regarding the naming rights and advertising of structures and at locations within the Laguna Seca Recreation Area, SEA OTTER CLASSIC will be allowed to place signage on the Turn 5 and Turn 3-4 pedestrian bridges and crossings over the Racetrack four (4) days prior to

the Sports Festival and concluding three (3) days following the Sports Festival event. Other COUNTY structures include, but are not limited to, pedestrian and auto bridges, fencing and buildings. A list of other COUNTY structures exempted from this authorization, if any, will be provided to Sea Otter Classic by July 1st of the year prior to the Sports Festival. SEA OTTER CLASSIC agrees to honor any current applicable contractual limitations regarding covering signage at the facility. SEA OTTER CLASSIC agrees to work with County to mitigate temporary signage conflicts that may arise during future contract negotiations with other parties.

SECTION V – RELATIONSHIP

Neither party hereto is the agent of the other and neither party shall have the right to act for or on behalf of the other or bind the other in any manner whatsoever. Neither party shall be responsible for any debts, obligations, or expenses incurred by the other party, whether or not in connection with the event contemplated hereby in the absence of written approval thereof in advance. SEA OTTER CLASSIC shall clearly establish at all times during the term hereof that COUNTY is not a co-partner or otherwise liable or obligated for any cost, expenses, or SEA OTTER CLASSIC's conduct of same. COUNTY makes no representation or warranty with respect to the suitability of the Laguna Seca Recreation Area for SEA OTTER CLASSIC's purposes nor the success or other results of SEA OTTER CLASSIC activities conducted hereunder.

SECTION VI-SEA OTTER CLASSIC'S OBLIGATION

- A. SEA OTTER CLASSIC shall complete and comply with a separate annual Special Use Event Application and Concession Agreement for Special Events and all required plans and approvals, approved by the Director of Parks, for each event at least 30 days prior to the event. (A copy of a current sample of the annual Special Use Event Application and Concession Agreement for Special Events is attached hereto as Exhibit "B".)
- B. SEA OTTER CLASSIC shall not commit or permit any injury or damage to any part of the Laguna Seca Recreation Area or their appurtenances nor any waste thereon. All property utilized by SEA OTTER CLASSIC in the course of the operations contemplated hereby shall be returned to COUNTY in the same condition or repair after each program use, reasonable wear and tear excepted.
- C. SEA OTTER CLASSIC shall promptly arrange and pay to have repairs made for any damage, reasonable wear to tear excepted, to the Laguna Seca Recreation Area or other facilities arising out of SEA OTTER CLASSIC's operation hereunder. SEA OTTER CLASSIC will complete all environmental repairs, as required by COUNTY, within 14 days following the Sports Festival event.
- D. SEA OTTER CLASSIC shall be responsible for and promptly pay all taxes and assessments of any kind whatsoever assessed or levied for the use of the Laguna Seca Recreation Area and/or for storage of its personal property at the Laguna Seca Recreation Area, including but not limited to taxable possessory interest if one is created by this Agreement. The payments of any such taxes, assessments or charges shall not constitute cause for modification of fees payable by SEA OTTER CLASSIC to COUNTY pursuant to this Agreement.

- E. SEA OTTER CLASSIC, its agents, employees, and patrons shall be bound by all existing federal, state, and county laws, ordinances, regulations and use permits that apply to Laguna Seca Recreation Area and SEA OTTER CLASSIC's operations.
- F. SEA OTTER CLASSIC shall be responsible for and promptly obtain all necessary licenses and permits to conduct the event, including but not limited to those licenses necessary for the public performance of music if applicable, and shall comply with all applicable federal, state, and local laws and regulations in the performance of this Agreement.

SECTION VII – INDEMNITY AND HOLD HARMLESS

SEA OTTER CLASSIC shall indemnify, defend, and hold harmless the County of Monterey, the United States of America, and the Sports Car Racing Association of the Monterey Peninsula; their officers, agents, and employees from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any participant, person, firm, or corporation for damage, injury, or death arising out of or connected with SEA OTTER CLASSIC's performance of this Agreement, and or the use of the former Fort Ord road system and traffic circulation roads within the Laguna Seca Recreation Area, and the public performance of music, unless such claims, liabilities or losses arise out of the gross negligence or willful misconduct of COUNTY, the United States of America, and the Sports Car Racing Association of the Monterey Peninsula. "SEA OTTER CLASSIC's performance" includes SEA OTTER CLASSIC's action or inaction and the action or inaction of SEA OTTER CLASSIC's officers, employees, agents, and subcontractors.

SECTION VIII – INSURANCE

Without limiting SEA OTTER CLASSIC's duty to indemnify, SEA OTTER CLASSIC shall maintain in force at all times during the performance of this Agreement a policy or policies of insurance covering all of its operations including, but not limited to, the following coverage and in the minimum limits of liability as stated herein:

- 1) Commercial General Liability (see Exhibit D), but not limited to Personal Injury, Bodily Injury, Property Damage, including coverages for Personal Injury, Contractual Liability and Products/Completed Operations, and Property Damage in the amount of \$5,000,000 Per Occurrence Combined Single Limit for Bodily Injury with a \$5,000,000 aggregate for the event.
- 2) Commercial General Liability (see Exhibit E), but not limited to Personal Injury, Bodily Injury, Property Damage, including coverages for Personal Injury, Contractual Liability and Products/Completed Operations, and Property Damage in the amount of \$1,000,000 Per Occurrence Combined Single Limit for Bodily Injury with a \$3,000,000 aggregate plus Umbrella/Excess liability coverage in the amount of \$4,000,000 per occurrence for specified competitive events.

- 3) Business Auto Liability, including but not limited to Property Damage, Bodily Injury, Personal Injuries, Non-Owned and Hired Car, in the amount of \$1,000,000 Per Occurrence Combined Single Limit for Bodily Injury and Property Damage.
- 4) Workers' Compensation covering statutory requirements of the State of California and Employer's Liability of not less than \$1,000,000 each employee, each accident and each disease.
- 5) Liquor liability insurance, with limits not less than \$1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage
- 6) Commercial General, Liquor Liability and Auto Liability policies shall provide an endorsement naming the County of Monterey, the United States of America, and its officers, agents and employees as additional insureds, and shall further provide thirty days' written notice to COUNTY in advance of cancellation or non-renewal of said policies.
- 7) Commercial General, Liquor Liability and Auto Liability policies shall also be endorsed to provide that such insurance is Primary Insurance and that no insurance or self-insurance of the additional insureds shall be called on to contribute to any loss incurred in connection with SEA OTTER CLASSIC's performance of this Agreement.
- 8) Accident Medical Benefits Insurance to cover spectators, entertainers, employees and volunteers, with limits not less than \$10,000 each person.
- 9) The insurance carried must be with established and reputable companies acceptable to COUNTY. Acceptance or approval of insurance shall in no way modify or change the Indemnity and Hold Harmless clauses in this Agreement, which shall continue in full force and effect.
- 10) Prior to the execution of each annual Concession Agreement for Special Events, for each Sports Festival event under this Agreement, SEA OTTER CLASSIC shall file certificates of insurance with the County Parks Director, or his designee, including appropriate endorsements, showing that SEA OTTER CLASSIC has in effect the insurance required by this Agreement.

SECTION IX – FORCE MAJEURE

- A. COUNTY and SEA OTTER CLASSIC shall be relieved of their obligation to the other if unable to perform the terms and conditions of this Agreement by virtue of governmental regulations or order, or by strike or war (declared or undeclared) or other calamity such as fire, earthquake, hurricane, or similar acts of God, or because of other similar or dissimilar cause or causes beyond their control.
- B. SEA OTTER CLASSIC acknowledges notice that COUNTY may terminate this Agreement at any time if the Laguna Seca Recreation Area and facilities are required by COUNTY's grantor of the property hereunder, the United States of America, for the national defense.

SECTION X – BANKRUPTCY

This Agreement shall automatically terminate if:

- 1) SEA OTTER CLASSIC shall make an assignment for the benefit of creditors, file a voluntary petition for bankruptcy, or initiate a State court action for appointment of a receiver, or:
- 2) A proceeding in bankruptcy or for appointment of a receiver is commenced against SEA OTTER CLASSIC in any Federal or State court, unless the same is dismissed within thirty (30) days. In all such cases, the termination shall become effective as of the filing of such petition or the appointment of such receiver or trustee or the commencing of such court action, whichever occurs first and, immediately upon such termination, all rights hereunder shall revert to COUNTY.

SECTION XI – TRANSFER

- A. SEA OTTER CLASSIC shall not make or permit any Transfer of its interest in the Agreement without the prior written approval of the COUNTY. A Transfer is defined as a sale, sublease, subcontract of SEA OTTER CLASSIC's interest in this Agreement and/or a change in the composition or ownership of SEA OTTER CLASSIC, by any cause or for any reason, so that the current existing owners, as set forth in the attached statement of owners and interests, combined, control less than 50% of the equity and/or business control of SEA OTTER CLASSIC, INC.
- B. A request for Transfer must include information regarding the proposed Transferee, including the name, address, and ownership of Transferee; the nature of Transferee's business; Transferee's character and reputation; and Transferee's current financial statements (certified by an officer, a partner, or an owner of Transferee); all the terms of the proposed Transfer, including the consideration payable by Transferee; and a copy of all documentation concerning the proposed Transfer; and any other information or documentation reasonably requested by COUNTY.
- C. COUNTY may recover its reasonable fees and costs in determining whether or not to approve any Transfer, up to \$10,000.00, and such fees are due and payable whether or not the Transfer is approved. COUNTY must respond in writing to a request for Transfer within 45 days of submission to COUNTY of pertinent financial data of proposed Transferee.
- D. Notwithstanding any other provision of this Agreement, as the interest granted to SEA OTTER CLASSIC herein is a personal non-assignable license interest only, COUNTY may withhold its consent to any Transfer in its sole discretion, provided that such discretion shall not be exercised in an arbitrary fashion. COUNTY may impose such reasonable conditions upon the transfer as it deems appropriate in its sole discretion. Further, any single consent to Transfer shall not be the basis for or implied consent to additional Transfers, and SEA OTTER CLASSIC shall remain liable under the Agreement, notwithstanding such approved Transfer.
- E. Any Transfer without the prior written approval and consent of COUNTY may, at the option of COUNTY, be viewed as a material and non-curable breach of this Agreement, and shall be void.

SECTION XII – TERMINATION

- A. Notwithstanding any other term or condition contained herein, whether express or implied, either SEA OTTER CLASSIC or the COUNTY may terminate this Agreement with cause that is not cured within ninety (90) days and with written notice to the other party.
- B. Except in the case of an attempted Transfer without approval, which shall, at the option of COUNTY, be the basis for immediate termination, COUNTY may terminate this Agreement for breach of terms and conditions of this Agreement or any related annual Agreement for Special Events that are not first remedied upon sixty (60) days written notice.
- C. SEA OTTER CLASSIC shall well truly observe, fulfill and perform each and every term, covenant and condition of this Agreement and the related annual Concession Agreement for Special Events. In case of any breach of any term, covenant or condition of this Agreement and a failure by SEA OTTER CLASSIC to remedy the same upon thirty (30) days notice, in addition to all other remedies, including termination of this Agreement, the damages pertaining to said breach shall be taken and deemed to be liquidated damages and shall be recoverable from the principal and sureties upon the faithful performance bond or security.

SECTION XIII-ADMINISTRATION

COUNTY appoints its Director of Parks as its agent for the general supervision and administration of this Agreement.

SECTION XIV – NOTICES

Any notice to be given to the parties hereunder shall be given by mail, certified or postage prepaid, addressed to the parties as follows:

COUNTY:

County of Monterey
Department of Parks
P.O. Box 5249
Salinas, CA 93915-5249
(831) 755-4895

SEA OTTER CLASSIC:

Sea Otter Classic, Inc.
215 W. Franklin Street, Suite #214
Monterey, CA 93940
(831) 373-1839

SECTION XV – EQUAL OPPORTUNITY

SEA OTTER CLASSIC shall comply with the terms of this Agreement herein without any discriminatory practice based on sex, sexual preference, age, color, religion, handicap, marital status, national origin, or ancestry.

SECTION XVI – COMPLETE AGREEMENT

- A. This Agreement embodies the complete understanding of the parties hereto and cannot be amended or modified except in writing signed by each party hereto. Except as set forth herein, there are no other oral or written agreements, representations or warranties, express or implied.
- B. However, from time to time, COUNTY and SEA OTTER CLASSIC may enter into a Memorandum of Understanding to address specific details on maintenance and operations pursuant to and consistent with the provisions of this Agreement.

SECTION XVII – CONTROLLING LAW

This agreement and all disputes hereunder shall be interpreted under and governed by the laws of the State of California and venue for all actions to enforce the terms of this Agreement shall be the County of Monterey.

SECTION XVIII– NO REPRESENTATION OR WARRANTY OF FITNESS

SEA OTTER CLASSIC acknowledges that it has been advised by COUNTY that the conditions, facilities, and area in the Laguna Seca Recreation Area and Toro Park which SEA OTTER CLASSIC is authorized to use in accordance with this Agreement has not been represented as being fit for SEA OTTER CLASSIC's intended use or for any particular use. SEA OTTER CLASSIC acknowledges that it has been advised to inspect the condition, facilities, and other areas SEA OTTER CLASSIC is permitted to use hereunder prior to the issuance of this Agreement, and/or prior to SEA OTTER CLASSIC's actual use from time to time. Based upon SEA OTTER CLASSIC's personal inspection or upon SEA OTTER CLASSIC's right to inspect, SEA OTTER CLASSIC further acknowledges that the conditions, facilities, and other areas are safe and adequate for SEA OTTER CLASSIC's intended use. SEA OTTER CLASSIC shall have exclusive use of this Laguna Seca Recreation Area as described above during periods of time SEA OTTER CLASSIC is scheduled to use the facilities under this Agreement. SEA OTTER CLASSIC shall be responsible for all equipment and for adequate safeguards for the protection of SEA OTTER CLASSIC and others.

SECTION XIX – AGREEMENT SUBORDINATION

This Agreement is subject to and subordinate to all the terms and conditions of the following:

- 1) The certain quitclaim deed with the United States as Grantor and the County of Monterey as Grantee dated the 31st day of October 1974, and recorded in 944, page 1077, Monterey County Records, a copy of which is on file at the County Parks Department headquarters at 855 E. Laurel Drive, Building G, Salinas, California.
- 2) The certain agreement for the use of Laguna Seca Raceway between the County of Monterey and SCRAMP dated February 8th, 2000, as it may be amended from time to time, a copy of which is on file at the County Parks Department headquarters at 855 E. Laurel Drive, Building G, Salinas, California.

- 3) SEA OTTER CLASSIC acknowledges reading the foregoing documents and knowing the contents thereof.
- 4) SEA OTTER CLASSIC also acknowledges that COUNTY has the right and authority to enter into agreements with others for the Naming Rights to the Laguna Seca Recreation Area, all or part of its facilities, and independently has the authority and right to change or modify the name of the Laguna Seca Recreation Area at any time and for any reason or for none at all. In the event that COUNTY decides to change the name of the Laguna Seca Recreation Area or enter into contractual relationships regarding the naming rights for the Recreation Area as a whole or any structures contained therein, SEA OTTER CLASSIC agrees that it shall be bound to the use of those names and to honor and not cover over the signage that may become affixed to those structures in the future, if so required by COUNTY.

SECTION XX – FAITHFUL PERFORMANCE BOND

- A. Thirty days prior to the event, SEA OTTER CLASSIC shall provide COUNTY with a \$3,000 certified check payable to COUNTY as a security bond to guarantee payment of any monies which may be payable to COUNTY under this Agreement; any damage to park property; utility charges, if any; removal by COUNTY of CONCESSIONAIRE’s personal property as may be left on the premises in violation of terms of this agreement; and cost to COUNTY of restoring premises occupied and left by CONCESIONAIRE in unsatisfactory condition. COUNTY will return this bond, or unused portions of this bond, within 120 days following the annual Sports Festival event.
- B. Neither the provisions of this section, any bond or security accepted by COUNTY pursuant thereto, nor any damages recovered by COUNTY thereunder shall be constructed to excuse faithful performance by SEA OTTER CLASSIC or limit the liability of SEA OTTER CLASSIC under this Agreement or for damages, either to the full amount of the bond/security or otherwise.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date set forth above.

SEA OTTER CLASSIC, INC

By: [Signature]

Title: CFO

By: [Signature]

Title: SECRETARY

COUNTY OF MONTEREY

By: _____

Title: Chair

Monterey County
Board of Supervisors

Approved as To Form and Legality
COUNTY COUNSEL

BY: [Signature]
Deputy County Counsel

EXHIBIT A – Map of Laguna Seca Recreation Area

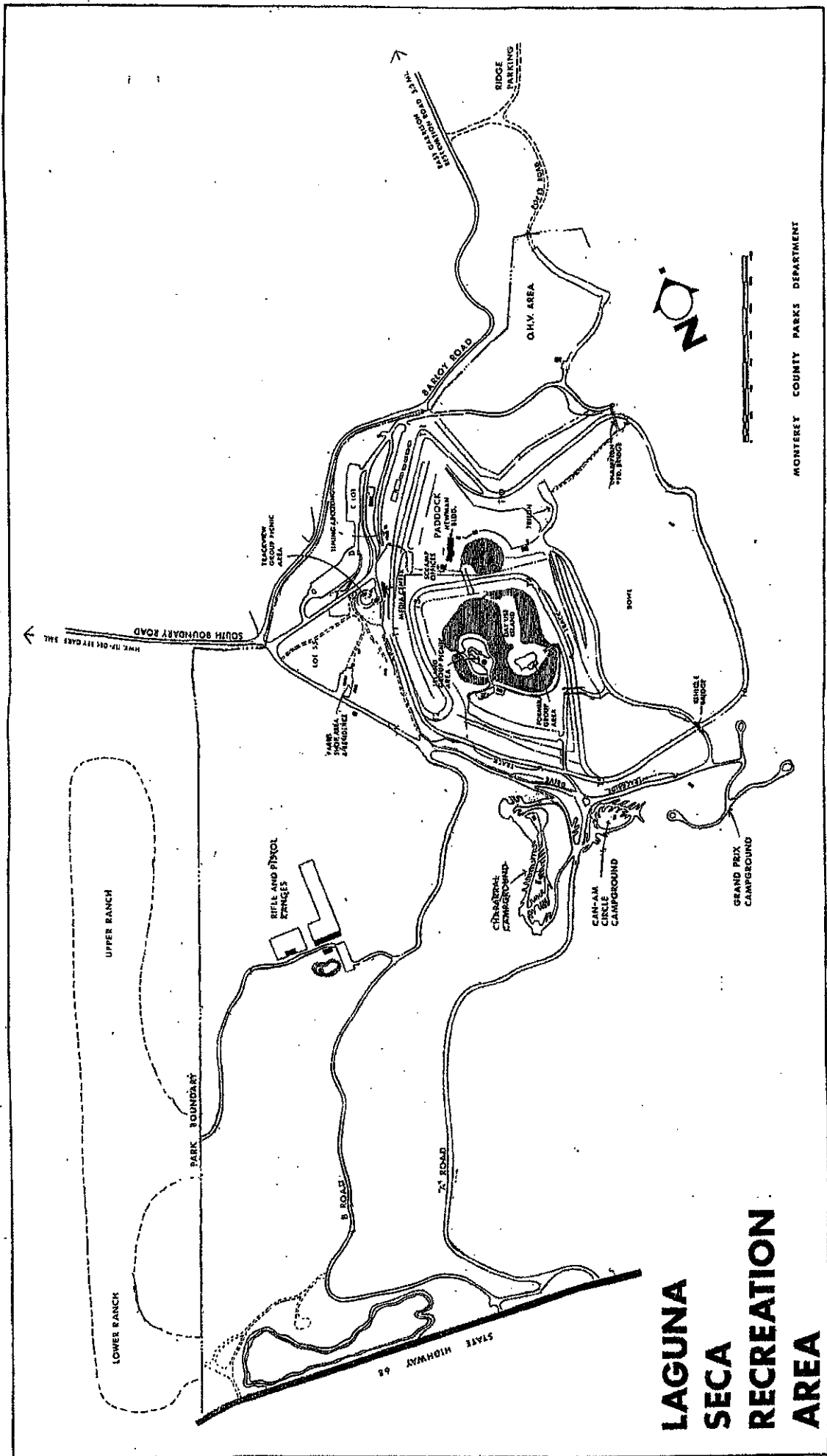
EXHIBIT B – Special Use Event Application and Concession Agreement for Special Events

EXHIBIT C – Statement of Current Ownership of Sea Otter Classic, Inc.

EXHIBIT D – Certificate of Insurance/endorsements for event/festival coverage

EXHIBIT E – Certificate of Insurance/endorsements for competitive event coverage

EXHIBIT A



**LAGUNA
SECA
RECREATION
AREA**

MONTEREY COUNTY PARKS DEPARTMENT

**CONCESSION AGREEMENT
FOR
SPECIAL EVENTS**

Dates of Event: April 18-21, 2013

This agreement by and between the County of Monterey, hereinafter called "COUNTY", and Sea Otter Classic Inc. hereinafter called "CONCESSIONAIRE",

WITNESSETH:

1. CONCESSIONAIRE desires to secure from the COUNTY certain rights and privileges and to conduct the following described activity upon certain premises, and with the Sea Otter Classic Sports Festival, during the period of an event, to be held at Monterey County, California, beginning on April 18, 2013 and ending on April 21, 2013.

2. COUNTY hereby grants to the CONCESSIONAIRE the right to occupy the space(s) described below for the purposes hereinafter set forth, subject to the terms and conditions of this agreement:

Racetrack (Thu-Sun, April 18-21), Lakebed Special Event Area, Turn 5 parking, Swale parking, Rifle Range parking, Paddock, Turn 9-10 camping, MX Track, Old Track parking, Highway 68 entrance, OHV Parking/Camping, downhill fire trail alongside the range, Island Group area, Vendor Island, Track View Pavilion, Track View parking, Chaparral campground and group building, Can Am Circle campground, "E" campground and the Grand Prix campground.

CONCESSIONAIRE shall have access to the Lakebed Special Event Area beginning at 8 a.m. on Thursday, March 28, 2013, through 5 p.m. on Friday, April 26, 2013. CONCESSIONAIRE will take over operation of the campground sites beginning at 2 p.m. Wednesday, April 17, 2013, through 2 p.m. Sunday, April 21, 2013. CONCESSIONAIRE shall have access to the Paddock beginning at 8 a.m. on Monday, April 15, 2013, through 5 p.m., Tuesday, April 23, 2013. CONCESSIONAIRE shall have access to the Racetrack beginning on Wednesday, April 17th, 5:00 p.m., through Monday, April 22nd, 8:00 a.m. CONCESSIONAIRE shall have access to the downhill fire trail beginning on Monday, April 8, 2012 through Wednesday, April 24, 2013. CONCESSIONAIRE shall have access to the Trackview Pavilion beginning on Friday, April 12, 2013 through Monday, April 22, 2013. CONCESSIONAIRE shall have access to Red 9 Parking, Wolf Hill Parking, and Lookout Ridge Parking on Thursday, April 11, 2013, 8:00 a.m. through Wednesday, April 24, 2013, 5:00 p.m.. CONCESSIONAIRE shall have access to all other areas beginning at 8 a.m., Monday, April 15, 2013, through 7 a.m., Wednesday, April 24, 2013. All facilities provided on an "as is" basis.

3. The purposes of occupancy shall be limited to activities directly associated with the Sea Otter Classic Sports Festival event.

4. CONCESSIONAIRE agrees to pay to COUNTY for the rights and privileges hereby granted, the amounts and in the manner set forth below:

\$5,000 racetrack rental fee per day (Thu/Fri/Sat/Sun), \$6.00 per vehicle per day (Thu/Fri/Sat/Sun) to include VIPs, contestants, spectators and workers. CONCESSIONAIRE may subtract 12,000 vehicles from the vehicle count for volunteers, vendors and staff for which the Parks department will not expect payment. Camping fee of \$20 per vehicle per night (Wed/Thu/Fri/Sat) for utility camping; \$16 per vehicle per night (Wed/Thu/Fri/Sat) for unimproved camping; and \$12 per vehicle per night (Wed/Thu/Fri/Sat) for primitive camping.

5. CONCESSIONAIRE agrees to deposit with COUNTY a cash bond in the amount of \$3,000 to guarantee payment of:

- a) any money which may be payable to COUNTY under this agreement;
- b) any damage to park property;
- c) utility charges, if any;
- d) removal by COUNTY of such of CONCESSIONAIRE's personal property as may be left on the premises in violation of terms of this agreement; and
- e) cost to COUNTY of restoring premises occupied and left by CONCESSIONAIRE in unsatisfactory condition.

6. A Special Use Event Application, attached to this agreement, has been completed and submitted by the CONCESSIONAIRE to the COUNTY at least two (2) weeks prior to the execution of this agreement. This aforementioned application includes the reasons why the proposed event is considered compatible with the use of the County Parks System, list of fees and charges proposed, methods for collecting special use fees, maximum attendance at event, methods of limiting attendance, estimated gross receipts, items to be sold at said event, individual(s) responsible for event, parking arrangements, fire and police protection, etc. Execution of this agreement constitutes an approval of the Special Use Event Application, Exhibit A, attached and all statements therein made become a part of the terms and conditions of this agreement.

7. The CONCESSIONAIRE agrees that any authorized representative of COUNTY shall have access to said premises at all times.

8. CONCESSIONAIRE's GENERAL OBLIGATIONS.

- a) CONCESSIONAIRE shall complete a Special Event Application and a Concession Agreement for Special Events (Exhibit "B") and all required plans and approvals, approved by the Director of Parks, for each event at least 60 days prior to the event.
- b) CONCESSIONAIRE shall not commit or permit any injury or damage to any part of the Laguna Seca Recreation Area, or its appurtenances nor any waste thereon. All property utilized by CONCESSIONAIRE in the course of the operations contemplated hereby shall be returned to COUNTY in the same condition or repair after each program use, reasonable wear and tear excepted.
- c) CONCESSIONAIRE shall promptly arrange and pay to have repairs made for any damage to the Laguna Seca Lakebed Special Event Area or other facilities arising out of CONCESSIONAIRE 's operation hereunder. CONCESSIONAIRE will complete all environmental repairs, as agreed to with Parks Department representatives, within 14 days following the event.
- d) CONCESSIONAIRE, its agents, employees, and patrons shall be bound by all existing federal, state, and county laws, ordinances, regulations and use permits that apply to Laguna Seca Recreation Area and CONCESSIONAIRE's operations.
- e) CONCESSIONAIRE, shall be responsible for and promptly pay all taxes and assessments of any kind whatsoever assessed or levied for the use of the premises, including but not limited to a taxable possessory interest if one is created by this Agreement. The payments of any such taxes, assessments or charges shall not constitute cause for modification of fees payable by CONCESSIONAIRE to COUNTY pursuant to this use agreement.

- f) CONCESSIONAIRE shall be responsible for and promptly obtain all necessary licenses and permits to conduct the event, including but not limited to those licenses necessary for the public performance of music if applicable, and shall comply with all applicable federal, state, and local laws and regulations in the performance of this Agreement.

9. It is mutually agreed that this agreement and the privileges granted herein, or any part thereof, cannot be assigned or otherwise disposed of without the written consent of the COUNTY.

10. INDEMNITY AND HOLD HARMLESS. CONCESSIONAIRE shall indemnify, defend, and hold harmless the United States of America, County of Monterey, Sports Car Racing Association of the Monterey Peninsula and their officers, agents, and employees from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any participant, person, firm, or corporation for damage, injury, or death arising out of or connected with CONCESSIONAIRE's performance of this Agreement, and or the use of the former Fort Ord road system and traffic circulation roads within the Laguna Seca Recreation Area, and the public performance of music, unless such claims, liabilities or losses arise out of the gross negligence or willful misconduct of the United States of America, the COUNTY, or Sports Car Racing Association of the Monterey Peninsula. " CONCESSIONAIRE's performance" includes CONCESSIONAIRE's action or inaction and the action or inaction of CONCESSIONAIRE's officers, employees, agents, and subcontractors.

Without limiting CONCESSIONAIRE'S indemnification, it is agreed that CONCESSIONAIRE shall maintain in force at all times during the performance of this agreement a policy or policies of insurance covering all of its operations and in the amounts and according to the terms and conditions set forth in Exhibit B attached hereto and made a part of this agreement by this reference.

11. RELATIONSHIP. Neither party hereto is the agent of the other and neither party shall have the right to act for or on behalf of the other or bind the other in any manner whatsoever. Neither party shall be responsible for any debts, obligations, or expenses incurred by the other party, whether or not in connection with the event contemplated hereby in the absence of written approval thereof in advance. CONCESSIONAIRE shall clearly establish at all times during the terms hereof that COUNTY is merely permitting the use of the subject premises in accordance with the terms hereof and that COUNTY is not co-partner or otherwise liable or obligated for any cost, expenses, or CONCESSIONAIRE's conduct of same. The COUNTY makes no representation or warranty with respect to the suitability of the Laguna Seca Recreation Lakebed Special Event Area for CONCESSIONAIRE activities conducted hereunder.

12. It is mutually understood and agreed that no alteration or variation of the terms of this agreement shall be valid, unless made in writing and signed by the parties hereto, and that no oral understandings or agreements not incorporated herein and no alterations or variations of the terms hereto, unless made in writing and signed by the parties hereto, shall be binding upon any of the parties hereto.

13. All Rules and Regulations set forth in Exhibit C, are hereby made a part of this agreement, and the CONCESSIONAIRE agrees that it has read this agreement and said Rules and Regulations and understands that they shall apply, unless amended by mutual consent in writing by the parties hereto.

14. In the event the CONCESSIONAIRE fails to comply in any respect with the terms of this agreement and the Rules and Regulations incorporated herein, all payments for this concession space shall be deemed earned and nonrefundable by the COUNTY, and the COUNTY shall have the right to reenter and use the space in any manner deemed in the best interests of the COUNTY.

agreement and the Rules and Regulations incorporated herein, all payments for this concession space shall be deemed earned and nonrefundable by the COUNTY, and the COUNTY shall have the right to reenter and use the space in any manner deemed in the best interests of the COUNTY.

15. NO REPRESENTATION OR WARRANTY OF FITNESS. CONCESSIONAIRE acknowledges that it has been advised by COUNTY that the conditions, facilities, and area in the Laguna Seca Recreation Area which CONCESSIONAIRE is authorized to use in accordance with this agreement has not been represented as being fit for CONCESSIONAIRE 's intended use or for any particular use. CONCESSIONAIRE acknowledges that it has been advised to inspect the condition, facilities, and other areas CONCESSIONAIRE is permitted to use hereunder prior to the issuance of this agreement, and/or prior to CONCESSIONAIRE 's actual use from time to time. Based upon CONCESSIONAIRE 's personal inspection or upon CONCESSIONAIRE's right to inspect, CONCESSIONAIRE further acknowledges that the conditions, facilities, and other areas are safe and adequate for CONCESSIONAIRE 's intended use. CONCESSIONAIRE shall have exclusive use of this Laguna Seca Recreation Area as described above during periods of time CONCESSIONAIRE is scheduled to use the facilities under this agreement. CONCESSIONAIRE shall be responsible for all equipment and for adequate safeguards for the protection of CONCESSIONAIRE and others.

16. This agreement is not binding upon the COUNTY until it has been duly accepted and signed by its authorized representative.

17. The COUNTY may at any time, by the COUNTY Auditor or an outside certified public accountant, conduct an audit, examination or review of the Annual Financial Statements of the CONCESSIONAIRE or any of its subsidiary companies or operating divisions. The CONCESSIONAIRE being audited shall make available and provide any (and all) accounting and financial records to the auditor upon request.

Such an audit, examination or review shall be at the expense of the COUNTY; provided, however, that should any audit, examination or review of the CONCESSIONAIRE'S records reveal an underpayment of more than three percent (3%) or any fee, tax or other amount due to the COUNTY under this Concession Agreement, the CONCESSIONAIRE shall bear the entire cost of the audit, examination or review.

18. Special Provisions: Five (5) pages of special provisions are incorporated in this agreement by this reference.

19. Plans: Six (6) pages of plans are incorporated in this agreement by this reference.

IN WITNESS WHEREOF, this agreement has been executed by and on behalf of the parties hereto the day and year first above written.

CONCESSIONAIRE

COUNTY OF MONTEREY

By 

By 

Name Frank Yohannan

Michael C. Ferry

Address 215 W. Franklin St., Suite #214

P.O. Box 5249

Monterey, CA 93940

Salinas, CA 93915

Title Owner, Director

Title Director of Parks

ATTEST:

Attachments: Exhibit A Special Event Application
Exhibit B Special Event Insurance Requirements
Exhibit C Rules and Regulations Governing Concessions at Special Events
Exhibit D Plans

The 2013 Sea Otter Classic
at the Laguna Seca Recreation Area
April 18-21, 2013

SPECIAL PROVISIONS

I. AGENCY CONTACT

- A. CONCESSIONAIRE is responsible for contacting and obtaining all necessary permits, authorizations, etc., from State, Federal, and appropriate County agencies. This may include, but is not limited to, the Salinas Rural Fire District, California Highway Patrol, Federal Aviation Administration, Monterey County Public Health and Sheriff's Departments, CalTrans, and the U.S. Army/Bureau of Land Management (BLM) for access to Fort Ord/BLM property.
- B. CONCESSIONAIRE will furnish copies of all permits or authorizations from outside agencies, including the Army and BLM, if appropriate, to the County Parks Department at least two weeks prior to the event.

II. FEES

- A. A cash bond of \$3,000 will be delivered to the Special Events Manager 30 days prior to your event. Cash bond must be in the form of a Cashier's Check. It will be deposited to a holding account and, if all conditions are met, will be returned within 120 days following the event.
- B. CONCESSIONAIRE will supply all manpower to collect established fees for the event.
- C. CONCESSIONAIRE may subtract 12,000 vehicles from the vehicle count for volunteers, vendors and staff for which the Parks department will not expect payment.
- D. All fees and charges are due according to the following payment schedule:

\$5,000 Deposit	Due March 1, 2013
\$3,000 Cash bond	Due March 18, 2013
Total Day-Use Fees and 80% of estimated camping revenue	Due April 26, 2013
Final payment	Due May 17, 2013

- E. If the event is cancelled, CONCESSIONAIRE is responsible for all refunds that may apply and will hold the COUNTY harmless as to any claims by anyone who has a refund of such pre-payment for admission, participation in the event or any other payment.

III. CAMPING

- A. CONCESSIONAIRE understands that Laguna Seca Recreation Area shall be closed to camping by those not associated with the event.
- B. Sites N/A will be provided to the CONCESSIONAIRE at no charge from N/A till N/A .
- C. The number of campsites available in each camping area will be determined by the Salinas Rural Fire District and will be provided to CONCESSIONAIRE no later than February 1st prior to the event.
- D. A maximum number of 8 persons and 2 vehicles may occupy each campsite.

IV. PARKING AND TRAFFIC CONTROL

- A. Parking and traffic control within the park is the responsibility of the CONCESSIONAIRE during the event.
- B. All signage necessary to execute the Parking and Traffic Control Plan is the responsibility of the CONCESSIONAIRE. No directional or informational signs may be attached to permanent park signs.
- C. All traffic control devices, i.e., barricades, cones, etc., are the responsibility of the CONCESSIONAIRE. The PARKS DEPARTMENT will assist with these items as able.
- D. CONCESSIONAIRE will see that no chase vehicle or support vehicles will be driven on established lawn area or off-road areas within the park. To obtain access by any said vehicle to an off-road area within the park, CONCESSIONAIRE or his/her representatives will first contact the event ranger. All such vehicles shall have a pre-approved identification plaque.
- E. Public access to the Rifle Range will be maintained during the event. Yes No X
The Rifle Ranges will be closed to the public Thursday, April 11 through Tuesday, April 23, 2013.
- F. California Highway Patrol (CHP) will control traffic on Highway 68 as required for the event. CONCESSIONAIRE will contract with CHP.

V. CLEAN UP AND SANITATION

- A. Any areas considered private or not open to the public will be maintained by the CONCESSIONAIRE. In addition, all costs associated with such areas will be borne by the CONCESSIONAIRE.
- B. The PARKS DEPARTMENT will determine, using a formula approved by the County

Health Department, the number of extra chemical toilets necessary to serve any given area during the event. That number of formula required chemical toilets will be furnished and maintained during the event at the expense of the PARKS DEPARTMENT. If attendance is lower than expected and does not warrant placement of additional chemical toilets, CONCESSIONAIRE shall reimburse Parks Department at the rate of \$45.00 per unit per day.

- C. The CONCESSIONAIRE requests or is required to have on-site, N/A additional chemical toilets. The total cost of these extra chemical toilets is the sole responsibility of the CONCESSIONAIRE.
- D. The PARKS DEPARTMENT will maintain all permanent restroom facilities during the event, except those that are not open to the public. Permanent restroom facilities not open to the public will be the responsibility of the CONCESSIONAIRE. The cost of any chemical toilets needed to replace permanent restroom facilities being closed to the public shall be borne by the CONCESSIONAIRE.
- E. ***Trash and Litter Collection:*** The PARKS DEPARTMENT will provide you with a relatively litter and trash free event site. The PARKS DEPARTMENT will put out trash cans and line each with a plastic bag. At the conclusion of your event, the PARKS DEPARTMENT will pick-up all empty trash cans and return them to storage.

CONCESSIONAIRE will be the responsible for all litter and trash control during and after your event. The PARKS DEPARTMENT will provide extra plastic bags for you to maintain trash cans during your event. Should the PARKS DEPARTMENT be required to empty trash cans or pick-up excessive litter after your event, you will be billed for such service, or have it deducted from your cash bond.

The Monterey County HEALTH DEPARTMENT requires you to develop some method to recycle waste products generated by your event including plastic, aluminum, cardboard and cooking oils. Please consider methods by which this may be accomplished, and include in your Sanitation Plan.

- F. If a dumpster(s) is required for the event, its cost shall be the responsibility of the PARKS DEPARTMENT. Only twenty-yard dumpsters will be provided.
- G. ***Grey Water Disposal:*** It is the responsibility of the CONCESSIONAIRE to provide grey water disposal facilities in food concession areas.
- H. ***Food Concession Hand Wash Facilities:*** It is the responsibility of the CONCESSIONAIRE to provide portable hand wash facilities in food concession areas.

**VI. IMPACT ON SCRAMP AND RACING SCHOOL OPERATIONS
AT LAGUNA SECA RECREATION AREA**

- A. It shall be the CONCESSIONAIRE's responsibility to conduct their pre-event and event activities so as to have a minimal impact on the SCRAMP and Racing School operations.
- B. CONCESSIONAIRE will contact McCune Sound and SCRAMP to establish requirements to use the track sound system.

VII. FACILITY DAMAGE

- A. Any changes or alterations to the park facilities or grounds must have prior written approval from the PARKS DEPARTMENT. All changes, alterations, or damage resulting from the CONCESSIONAIRE's activities must be restored, repaired and/or replaced after the event to the satisfaction of the PARKS DEPARTMENT.
- B. *Facility Inspections:* The PARKS DEPARTMENT and a representative from the CONCESSIONAIRE will conduct a pre-event and post-event facility inspection of all facilities, grounds and areas to be used as part of the event.
- C. *Erosion Control:* Control measures to minimize potential erosion damage from event participants and spectators to the park grounds will be provided at the CONCESSIONAIRE's expense: including temporary fencing around sensitive areas, security staff and signage of event areas as determined by the PARKS DEPARTMENT.

Erosion damage will be repaired at the CONCESSIONAIRE's expense under PARKS DEPARTMENT supervision no later than one week after the event. CONCESSIONAIRE will have equipment and materials, i.e., tools, seed, straw, on-site prior to the conclusion of the event.

VIII. SCRAMP SUPER STORE

SCRAMP operates a souvenir store that is normally open six (6) days a week and may be scheduled to be open during your event. If you feel the store will conflict with your event, please contact the Special Events Manager with the PARKS DEPARTMENT at (831) 759-7214 if you need to discuss this issue.

IX. ADVERTISEMENT

- A. The PARKS DEPARTMENT maintains a marquee on Highway 68 which displays special event information for a maximum of two (2) weeks.
- B. All brochures, flyers or posters, shall be approved by the PARKS DEPARTMENT prior to distribution to the public.

- C. All banners and signs and their method and location of display, must be approved by the PARKS DEPARTMENT.

X. MISCELLANEOUS

- A. CONCESSIONAIRE must furnish his/her own tables and chairs for the event. Only on-site picnic tables will be furnished by the County. All picnic tables, if moved for your event, must be returned to original locations after the event.
- B. PARKS DEPARTMENT must be furnished a list and location map of all vendors associated with your event no later than three (3) weeks prior to your event. This list must include food, merchandise and information vendors. All vendors must be consistent with the mission of the event and with Monterey County regulations.
- C. In accordance with guidelines established by the Laguna Seca Interagency Coordination Committee, the SCRAMP Communications Center is required to be staffed and operational during the event and its operation must be part of the Communication Plan. Cost of operation of this facility shall be borne by the CONCESSIONAIRE. Current fees for the SCRAMP Communications Center are available by calling the SCRAMP office at (831) 242-8201.
- D. SEA OTTER CLASSIC, its agents, employees, and patrons shall be bound by all existing federal, state, and county laws, ordinances and regulations that apply to the Laguna Seca Recreation Area and SEA OTTER CLASSIC operations, and shall obtain all necessary licenses and permits for the event and activities.
- E. SEA OTTER CLASSIC shall be responsible for and promptly pay all taxes and assessments of any kind whatsoever assessed or levied for the use of the premises, including but not limited to a taxable possessory interest if one is created by this Agreement. The payments of any such taxes, assessments, fees, or charges shall not constitute cause for modification of fees payable by SEA OTTER CLASSIC.

PLANS

- A. In order to help ensure that your event is successful from an operational standpoint, the County Parks Department, together with other agencies, may require that you develop and supply to us certain plans. These plans will address one or more of the following aspects of your event. They may be composed of, but are not limited to, maps, narrative descriptions, other agency correspondence, applications, licenses, etc. Plans required for your event are checked as follows:

- | | | |
|----------|----|--------------------------|
| <u>X</u> | a) | Site Development Plan |
| <u>X</u> | b) | Parking and Traffic Plan |
| <u>X</u> | c) | Communications Plan |
| <u>X</u> | d) | Sanitation Plan |
| <u>X</u> | e) | Camping Plan |
| <u>X</u> | f) | Medical Plan |
| <u>X</u> | g) | Security Plan |
| <u>X</u> | h) | Disabled Access Plan |
| <u>X</u> | i) | Animal Control Plan |
| <u>X</u> | j) | Recycling Plan |

- B. It is possible that all required information may be contained on a single map with accompanying narrative descriptions. This determination will be dependent in large part on the size and complexity of your event.
- C. The following will give you some idea of what various plans are expected to contain. All items may not be applicable to your event.

I. SITE PLAN

This plan should be an overview of your entire activity area on a map. Elements of other plans may appear on this map. In addition, you may want to include some narrative descriptions. Your plan may include locations of:

- | | | | |
|----|-------------------------------|----|--------------------------------|
| a) | Stage (s) | i) | Medical Services |
| b) | Vendors Area | j) | Communications Tent |
| c) | Tents and their function | k) | Alcohol Sales Location |
| d) | Different Activity Areas | l) | Drinking Water Locations |
| e) | Entry Points (access control) | m) | Permanent Restroom Locations |
| f) | VIP Areas | n) | Event Registration |
| g) | Ticket Sales | o) | Handicapped (Disabled) Parking |
| h) | Parking Areas | p) | Fuel Storage Area |

II. COMMUNICATIONS PLAN (A Narrative)

Should include:

Event Description - A brief statement stipulating what type of event is being conducted and estimates of attendance.

Communications Coordinator - Identifies individuals responsible for coordinating special event communications. Should include contact phone numbers.

Operational Period - Identifies specific period in which special event communications will be conducted. Should include dates and specific hours of operation.

Staffing - Identifies who/what organization will be providing basic communication services for the planned special event. Should include a statement as to personnel training and level of experience.

Facilities - Provides location and generalized description of communication facilities to be utilized during the event. Where will the dispatch center be located?

Interagency Coordination - Identifies Monterey County public safety agencies and organizations that will be participating with the event organizers (e.g. - Sheriff, EMS, Salinas Rural Fire District, California Highway Patrol, etc.).

Major Emergency Communications - A statement regarding how the special event communications operation will interface with the County Public Safety Communications system in the event of a major emergency or disaster. An Incident Command Post must be established at the SCRAMM Communications Center.

Frequencies - A listing of frequencies to be used by site coordinators during the event. Should also include radio call signs that will be used should interagency coordination be required during a major emergency.

Emergency Contacts - A listing of on-site phone numbers for contacting the event communications center and communication coordinators in the event of an emergency.

Special Information - A statement providing special operational information relating to event communications. Will the track P.A. system be used?

III. MEDICAL PLAN

- A. A decision will be made based on the size and type of your event as to whether you must fill out a formal Medical Plan form for submittal to the County Office of Emergency Medical Services (EMS). If it is determined that this is required, you will be provided with the necessary form and instructions. Upon completion the form may be returned to the Parks Department for processing.
- B. If you are not required to submit an EMS Medical Plan, then a simple statement on your event application addressing the issue of First Aid will probably be adequate together with the First Aid station location on your Site Plan.
- C. Medical Plan Approval by EMS: Required X Not Required _____
- D. No on-site Medical facilities or personnel exists. The nearest emergency medical service is provided by the Salinas Rural Fire Station located East on Highway 68 approximately 1/4 mile from the park entrance. Their response time is approximately 10 to 20 minutes. They can be contacted by calling 911. Please see that this information is known by the

appropriate people associated with your event. You may also want to note the location of pay phones that can be used in an emergency.

- E. A Medical Injury Report log is required to be submitted to the Parks Department upon conclusion of the event.

IV. PARKING AND TRAFFIC CONTROL PLAN

- A. List names of persons responsible for this aspect of your event together with their work schedules.
- B. On a map show the traffic plan patterns within the park at different stages of your event. You should differentiate between general traffic routes and VIP, vendor, or participant routes, if applicable.
- C. On a map denote the areas of the park to be parked, how they will be identified, and in what order they will be parked.
- D. Show any access control points, i.e., ticket sales, ticket check, will call, etc.
- E. If CHP or Sheriff's Department will be involved in this aspect of your event, so note together with their work schedules.

V. SANITATION PLAN

- A. The Sanitation Plan will be completed by the CONCESSIONAIRE.
- B. On a map show the location of various groupings of chemical toilets as you want them distributed. Show location of all permanent restroom facilities in the event area.
- C. The permanent facilities open to the public serving your event area will offset the number of chemical toilets that may be required for your event. The Parks Department will help you calculate the actual number of chemical toilets for your event.
- D. If your contract with the Parks Department requires that you pay for all chemical toilets and their servicing during your event, you may elect to use the vendor recommended by the Parks Department or hire your own. In any case, the name of the company, contact person, phone number, the date that chemical toilets will be moved into place per the Sanitation Plan and the date they will be moved back, should all be contained in your Sanitation Plan.

VI. CAMPING PLAN

- A. List names of persons responsible for this aspect of your event together with their work schedules.
- B. Using a map show the areas of the park to be camped, times and dates of occupancy and how you will identify different areas, i.e., "A" Camp, "B" Camp, VIP, vendors, overflow, etc.

- C. If campers are to be assigned to a particular site or area, how will this be accomplished? How many campers will occupy any given area?
- D. How will you deal with early arrivals for your event? How will you deal with campers occupying campsites when you takeover? Some may plan to attend your event, others may not.

VII. SECURITY PLAN

- A. There are two primary factors to the development of this plan.

First, there are the security requirements that you will want for various aspects of your event (i.e., general crowd control, entry point management, equipment, vendor booths, alcohol sales, etc.).

Pre and post event security for equipment, vehicles, vendor booths etc., should also be planned.

Your plan should clearly state: 1) The name(s) of persons responsible for this aspect of your event together with their work schedules and how they can be contacted. 2) The total number of security personnel, their assignments, how they will be communicated with, how will they be identified, and their work schedules.

- B. Second, there are the security requirements that others will require of you in order for your application to be approved. Normally these requirements will come from the Parks Department and the Monterey County Sheriff's Department, who have jurisdiction within Monterey County Parks.

The Parks Department may make a recommendation to the Sheriff's Department to accept your security plan as submitted or either the Parks Department or Sheriff's Department may require that you furnish additional security. This may be accomplished either by your furnishing additional volunteer security, hiring a private security company, hiring Sheriff personnel, or some combination of all three. In either case, the determination of what is acceptable will lay with the Parks Department and the Sheriff's Department, with the Sheriff's Department having the final word.

Should the Sheriff's Department or Parks Department require that one or more of their units be on site during your event, you are required to fill out an "Application for Special Police Protection". This form is available through the Sheriff's Department or Parks Department.

Application for Special Police Protection: Required X Not Required _____

VIII. DISABLED ACCESS PLAN

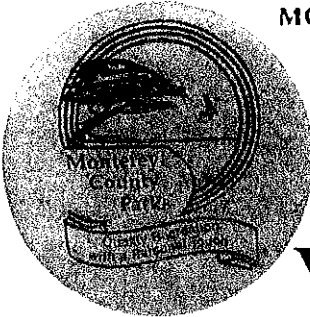
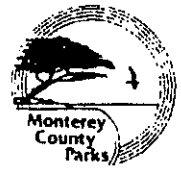
Your plan must describe, in narrative form, the numbers and locations of handicapped (disabled) parking and restrooms. (Parking and restroom must be shown on your Site Plan.) Your plan must also include narrative on disabled access to all areas of your event and how it will be accomplished.

IX. ANIMAL CONTROL PLAN

Your plan must address in narrative form the following: advertisement of restrictions, entrance control, vaccination verification, alternative to bringing pets in the park and a temporary holding facility. Other issues should be addressed as necessary.

X. COUNTY VEHICLE PASSES

Below is a facsimile of a vehicle pass that your event should honor. This pass is intended to allow access to various area of Laguna Seca Recreation facility by those who have official business within the park. It is in no way intended to circumvent the normal ticketing system associated with your event. Distribution of the pass will be strictly monitored by the Park Supervisor.

	MONTEREY COUNTY PARKS DEPARTMENT LAGUNA SECA RECREATION AREA	
Date: _____		
VEHICLE PASS		
<i>Enter through Main Gate (located on Highway 68)</i>		
Persons in possession of this pass have official business within the boundaries of Laguna Seca Recreation Area and should be allowed to pass at no charge.		
Issued To: _____	Destination: _____	
Issued By: _____		

COUNTY OF MONTEREY
PARKS DEPARTMENT

SPECIAL USE EVENT APPLICATION

Date: January 15, 2013

This application, when officially approved by a Concession Agreement for Special Events, signed by the Director of Parks or the Monterey County Board of Supervisors, will authorize

Sea Otter Classic, Inc. as a concessionaire to make use of the
(Name of Applicant)

Laguna Seca Recreation Area for Outdoor Sports Festival, on April 18-21, 2013
(Area and Park Unit) (Specific Use) (Date)

From 0900hrs-1700hrs daily subject to the following conditions:

1. Applicant requests County to provide the following services, if available or appropriate (Strike Inappropriate Provisions):
 - a. Maintain public restrooms
 - b. Provide fresh water
 - c. Provide electricity
 - d. Provide garbage cans and remove refuse
 - e. Clean all areas prior to occupancy to permittee
 - f. Other: ALL LSRA AREAS

2. Applicant will have not less than 25 employees in the Park unit during the period of this Special Use Event.

3. Applicant is to provide the following information:
 - a. Purpose of the proposed event, the necessity therefore, and the reason why it is considered as being compatible with the use of Monterey County Park system: Outdoor Sports Festival.


 - b. Area requested within the park: All areas including campgrounds, paddock and raceway plus auxiliary buildings.

 - c. List of applicants proposed fees and charges for admission, vendor space, participation, etc.: See www.seaotterclassic.com for a complete list of fees.

 - d. Plan and method for collecting special entrance fees at the park: Festival Passes will be sold at pedestrian bridge, and registration locations.

 FOR SEA OTTER CLASSIC, INC

- e. Maximum number of people expected to attend the event at one time. (The County may limit maximum attendance at its direction): 5,000
- f. Method of limiting attendance to the maximum number of persons permitted by the County: No method needed.
- g. Estimated gross receipts and net profit: UNKNOWN.
- h. Proposed guaranteed minimum rents and/or proposed percentage of the gross income to be paid as rent to the County: UNKNOWN.
- i. Method of garbage collection and disposal to be used: Star Site Services.
- j. List of items to be sold during the event: BICYCLE RELATED ITEMS - HATS, T-SHIRTS SOUVENIRS
- k. Name of person in charge of the event: Frank Yohannan, President and CEO Sea Otter Classic, Inc.
- l. Proposed fire control measures and additional firefighting equipment to be furnished by applicant as required by the Director of Parks, his designee or the local fire marshal:
- m. Proposed first-aid service to be supplied by applicant, including ambulance services, doctors or nurses: Contract in place with Salinas Rural.
- n. Additional police protection and/or traffic control personnel. Policing of the event will be provided by applicant and at this expense: Miller Events providing traffic control. SLE submitted to Monterey County Sheriff and CHP has been requested for Hwy 68
- o. Parking arrangements required for applicant's operating personnel: NO SPECIAL ARRANGEMENTS
- p. Additional sanitary facilities as required by the Director of Parks, his designee, or the Monterey County Health Department: N/A

 FOR
SEA OTTER
CLASSIC

q. Detailed description of the program to be presented and the displays and concession booths to be installed: See www.seaotterclassic.com for a complete list of exhibitors.

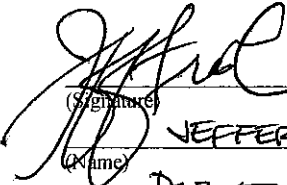
r. Submit information on all the organizations involved, whether sponsors, recipients, or promotional firms; their objectives, purposes and financing:

N/A

4. Applicant may be required to post a cash bond with the County, depending on circumstances of the special event and probabilities of damage.
5. The Director of Parks or his designee may terminate any special event activity when he deems it is necessary for the safety and enjoyment of the public, for the protection of resources, or for violation of any rules and regulations of the County Park System.
6. Contacts in regard to the permit generally may be made through the Director of Parks or his designee, whose name, address and telephone number appears below.

REQUESTED BY:

COUNTY OF MONTEREY:


(Signature) FOR SEA OTTER CLASSIC INC
(Name) JEFFERY FROST
(Title) DIR OF ATHLETE SVCS
(Date) JAN 15 2013
(Address) 215 W FRANKLIN ST SUITE 244
MONTEREY CA 93940
(Phone) 831-373-1839

(Signature)
Michael C. Ferry
(Name)
Director of Parks/Chief Ranger
(Title)

(Date)
855 E. Laurel Dr., Bldg G
(Address)
Salinas, CA 93905

(Phone)
831-755-4895

**MONTEREY COUNTY PARKS DEPARTMENT – REVISED EXHIBIT “B-1”
SPECIAL EVENT**

Exhibit B

Park Unit Designation Chart

Types of Special Events by the Board of Supervisors for designated Park Units	Park Units							INS CODE
	RO	LS	JP	T	SL	NAC	LSA	
1. Dog Show (300 or more people)	X	X		X	X		X	B
2. Outdoor Fair (non-dept sponsored events)	X	X		X	X		X	B
3. Bicycle Race or Festival		X			X		X	B
4. Photography Show	X	X	X	X	X		X	B
5. Art Show	X	X	X	X	X		X	B
6. Cross Country Running Race	X	X		X	X		X	B
7. Outdoor Concerts		X			X		X	B
8. Car, Van, or R.V. Show	X	X		X	X		X	B
9. Motocross Bicycle Race		X			X		X	B
10. Jet Ski Race						X	X	C
11. Powerboat Race						X	X	C
12. Model Boat Race		X						C
13. Fishing Derby		X				X	X	B
14. Sailboat Race						X	X	C
15. Boating and/or Water Ski Exhibition						X	X	C
16. Swimming Race						X	X	C
17. Equestrian Show/Events		X		X		X	X	C
18. Fund Raising Picnic/Events	X	X		X	X		X	A
19. Motorcycle Motocross Events		X						C
20. Mini Bike Events		X						C
21. Hot Air Balloon Events		X	X	X			X	C
22. Hang Gliding		X					X	C
23. OHV Events		X			X			C
24. Rifle/Pistol/Shooting Matches		X						C

Note: The Director of Parks is authorized to approve and issue Concession Agreements for all of the types of special events designated above by an “X” for each park unit with the exception that the Board of Supervisors shall review and approve all special events with an estimated attendance in excess of 5,000 persons, all special events that require the significant supportive services of other County Departments, all outdoor concerts and all events in the park units that are not designed above.

**SPECIAL EVENT INSURANCE REQUIREMENTS
MONTEREY COUNTY PARKS DEPARTMENT**

Types of Coverage	<u>Minimum Amounts of Coverage Required Per Type of Event (check which box applies)</u>		
	Insurance A	Insurance B	Insurance C
1. Comprehensive General Liability, including Personal Injury and Products/Completed Operations A. Bodily Injury per Occurrence B. Bodily Injury Aggregate C. Property Damage Or D. Combined Single Limit	No Insurance Required	\$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Insurance amount to be determined by County Risk Mgr. after evaluating elements of each specific event
2. Comprehensive Auto Liability including Non-Owned and Hired Car A. Bodily Injury per Person B. Bodily Injury per Occurrence C. Property Damage Or D. Combined Single Limit	No Insurance Required	\$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	
3. Workers Compensation	Statutory Requirement	Statutory Requirement	Statutory Requirement

Handwritten: 1/16/13

Note:

- Additional amounts of insurance may be required for unique special events beyond the scope of the above size or type of event as determined by the Director of Parks.
- Checking the box in column "A", "B" or "C" above designates insurance coverage requirement. See Exhibit "B-1" for designation of insurance requirements per types of special events.

SPECIAL EVENT INSURANCE ENDORSEMENTS

1. The County of Monterey, the United States of America, their officers, agents, and employees are named as additional insureds.
2. Permittee's Insurance is the primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Permittee's insurance.
3. This Insurance Policy shall not be canceled or reduced without 30 days written prior notice to County of Monterey, Director of Parks.
4. Certificate of Insurance showing the existence of a policy or policies having the above-described limits with the above described endorsements must be delivered to County's Director of Parks prior to the beginning of the special event.

MONTEREY COUNTY PARKS DEPARTMENT

- A. **Insurance Coverage Requirements:** Without limiting CONCESSIONAIRE duty to indemnify, CONCESSIONAIRE shall maintain in effect throughout the term of the Agreement a policy or policies of insurance with the following minimum limits of liability:
1. **Commercial general liability insurance,** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence; and
 2. **Business automobile liability insurance,** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence; and
 3. **Workers' Compensation Insurance,** if CONCESSIONAIRE employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease; and
 4. **Professional liability insurance,** if required for the professional services being provided, in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
- B. **Other Insurance Requirements:** All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONCESSIONAIRE completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of an endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONCESSIONAIRE and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds and shall further provide that such insurance is primary insurance to any insurance or self-insurance

maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONCESSIONAIRE'S insurance.

Prior to the execution of this Agreement by the County, CONCESSIONAIRE shall file certificates of insurance with the Monterey County Parks Department, showing that the CONCESSIONAIRE has in effect the insurance required by this Agreement. The CONCESSIONAIRE shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy which would alter the information of the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement which shall continue in full force with effect.

RULES AND REGULATIONS GOVERNING CONCESSION AT SPECIAL EVENTS

1. Upon written application, the COUNTY will issue passes for the operating period of the event to the CONCESSIONAIRE and those employees required for the efficient operation of the CONCESSIONAIRE not later than _____ hours prior to commencement of entry upon park property by employees.
2. No concession will be allowed to open until all preliminary requirements herein set forth have been complied with.
3. CONCESSIONAIRE and his employees engaged in the operation of concessions where goods to eat or drink are sold shall wear suitable clothing; said garments to be kept clean and neat at all times. All CONCESSIONAIRE'S selling, dispensing or distributing food, beverages and other articles intended for human consumption shall at all times maintain pure, clean, adequate and wholesome stocks which must be kept from all contamination and handled, stored and served according to the standards as established by the State Department of Public Health.
4. CONCESSIONAIRE will conduct his business in a quiet and orderly manner; will deposit all rubbish, slop, garbage, tin cans, paper, etc., in receptacles provided by the COUNTY within said concession plot for such purpose, and will keep the area within and surrounding said concession free from all rubbish and debris.
5. All buildings, tents, or enclosures erected under the terms of the Concession Agreement shall have the prior written approval of the COUNTY and the local fire suppression authorities.
6. At least 48 hours to commencement of event, CONCESSIONAIRE will furnish the COUNTY with a list of all sale prices and other charges of any kind whatsoever to be charged by the CONCESSIONAIRE in said concession space(s) and agrees to revise such charges or prices as directed by the COUNTY, and during the period of the event to maintain the charges and prices so submitted or as so revised.
7. CONCESSIONAIRE will conduct the privileges granted in the Concession Agreement according to all the rules and requirements of the State Department of Public Health and local health authorities, and without infringement upon the rights and privileges of others and will not engage in any other business whatsoever upon or within said premises or park, except that which is herein expressly stipulated and contracted for herein; and will confine said transactions to the space and privileges provided in the Concession Agreement.
8. CONCESSIONAIRE will cause to be posted in a conspicuous manner at the front entrance to his concession, a sign showing the prices to be charged for all articles offered for sale to the public under the Concession Agreement; the size of said sign, manner and place of posting to be approved by the COUNTY.
9. CONCESSIONAIRE must, at his own expense, keep his concession space and adjacent area properly arranged and clean. All concessions must be clean, all coverings removed, and the concessions ready for business each day at least 30 minutes before the event is open to the public. Receptacles will be provided at appropriate locations to receive the CONCESSIONAIRE'S trash, and such trash must not be swept into the streets or any public space.

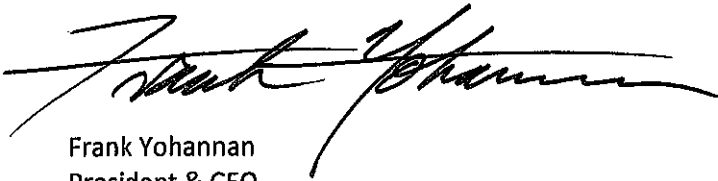
10. All sound-producing devices used by the CONCESSIONAIRE within or outside his concession space must be of such a nature and must be so operated as not to cause annoyance or inconvenience to his patrons, to other concessionaires, to exhibitors, or users of the park, and the decision of the COUNTY as to the desirability of any such sound-producing device shall be final and conclusive. Sound amplification equipment may be installed within or outside any concession only by first obtaining written permission therefore from the COUNTY. Control of the amplification decibel level will be at the discretion of the COUNTY.
11. CONCESSIONAIRE agrees that there will be no games, gambling or any other activities within the confines of his concession space in which money is used as a prize or premium, and that he will not buy and/or permit "buy backs" for cash of any of his prizes or premiums given away to patrons in connection with the promotion of his concession. No illegal activities shall be conducted, and only ordinary and customary merchandizing methods shall be used. All methods of operation, demonstration, and sale shall be subject to the approval of the COUNTY and the local law enforcement officials.
12. CONCESSIONAIRE is entirely responsible for the space allotted to him and agrees to reimburse the COUNTY for any damage to property used in connection with the space allotted to the CONCESSIONAIRE, reasonable wear and tear excepted.
13. COUNTY shall assume no responsibility for loss or damage to the property of the CONCESSIONAIRE. Small articles easily removed or particularly fragile articles or displays should be put away for safekeeping by the CONCESSIONAIRE after the closing hour each night.
14. Each and every article of the concession and all boxes, crates, packing material and debris of whatsoever nature used in connection with the concession space shall be removed at CONCESSIONAIRE'S expense. It is understood that in the event of the CONCESSIONAIRE'S failure to vacate said premises as herein provided, unless permission in writing is first obtained, the COUNTY may and is hereby authorized to remove and store the concession and all other material of any nature whatever, at the CONCESSIONAIRE'S risk and expense, and the CONCESSIONAIRE shall reimburse the COUNTY for expenses thus incurred.
15. No CONCESSIONAIRE will be permitted to sell or dispose of alcoholic beverages on park grounds except in his concession space. No sales are to be made unless the CONCESSIONAIRE is therefore authorized in writing by the COUNTY and unless he holds a lawful license authorizing such sales on said premises.
16. All activities within the above-named park unit shall be at the direction of the Director of Parks or his designee.
17. Arrangements for advance preparations shall be made with the Director of Parks or his designee.
18. Rules and regulations of the County Park System shall be observed by the CONCESSIONAIRE, his employees, agents or contractors.

19. The use of the building, grounds (if any), shall be in strict accordance with the Concession Agreement as authorized by the Director of Parks and/or the Board of Supervisors of the County of Monterey. This provision particularly applies to activities which might create hazardous fire conditions.
20. Except during the event, the public shall have normal access to the area.
21. No structures or sets are to be built unless specifically provided for herein, and no shrubbery or trees are to be cut, trimmed or injured.
22. Fires will not be permitted except upon the specific approval of the Director of Parks or his designee and under his direction.
23. Vehicles operated by or under the control of the CONCESSIONAIRE will be parked in areas designated by the Director of Parks or his designee.
24. CONCESSIONAIRE will control all traffic and vehicles as directed by the Director of Parks or his designee.
25. CONCESSIONAIRE will maintain the permitted area in a clean and sanitary condition and will restore the area to the condition in which it was received.
26. CONCESSIONAIRE will repair any and all damage to the park unit or any COUNTY property which was a result of CONCESSIONAIRE'S activities as encompassed by this permit. The COUNTY will be the sole judge of the extent of the damages.
27. All safety orders of the Division of Industry Safety, Department of Industrial Relations, must be strictly observed.
28. Failure to the COUNTY to insist in any one or more instances upon the observance and/or performance of any of these rules and regulations shall not constitute a waiver of any subsequent breach of any such rules and regulations.
29. FAIR EMPLOYMENT PRACTICES. In the performance of this Agreement, the CONCESSIONAIRE will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin or sex.

Sea Otter Classic, Inc.

TO WHOM IT MAY CONCERN:

This is to confirm that Frank Yohannan is the sole owner and shareholder of Sea Otter Classic, Inc.
(FIN 36-4599494).

A handwritten signature in black ink, appearing to read "Frank Yohannan", written in a cursive style.

Frank Yohannan
President & CEO

07-068177



State of California Secretary of State

STATEMENT OF INFORMATION (Domestic Stock Corporation)

S

FEES (Filing and Disclosure): \$25.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

1. **CORPORATE NAME** (Please do not alter if name is preprinted.)

SEA OTTER CLASSIC, INC.

C2941042

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

FEB 05 2007

This Space For Filing Use Only

DUE DATE:

CALIFORNIA CORPORATE DISCLOSURE ACT (Corporations Code)

A publicly traded corporation must file with the Secretary of State a Corporate Disclosure Statement () annually, within 150 days after the end of its fiscal year. Please see reverse for additional information regarding publicly traded corporations.

COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 2 and 3 cannot be P.O. Boxes.)

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY AND STATE	ZIP CODE
215 W. Franklin #214	Monterey, CA	93940

3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
215 W. Franklin #214	Monterey	CA	93940

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

4. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
Frank Yohannan	215 W. Franklin #214	Monterey, CA	93940

5. SECRETARY/	ADDRESS	CITY AND STATE	ZIP CODE
Frank Yohannan	215 W. Franklin #214	Monterey, CA	93940

6. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
Frank Yohannan	215 W. Franklin #214	Monterey, CA	93940

NAMES AND COMPLETE ADDRESSES OF ALL DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (The corporation must have at least one director. Attach additional pages, if necessary.)

7. NAME	ADDRESS	CITY AND STATE	ZIP CODE
Frank Yohannan	215 W. Franklin #214	Monterey, CA	93940

8. NAME	ADDRESS	CITY AND STATE	ZIP CODE

9. NAME	ADDRESS	CITY AND STATE	ZIP CODE

10. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 12 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code and Item 12 must be left blank.)

11. NAME OF AGENT FOR SERVICE OF PROCESS
Ronald A. Parravano

12. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
500 Camino El Estero, Suite 200	Monterey	CA	93940

TYPE OF BUSINESS

13. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
Sports Competitions

14. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

Frank Yohannan

TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

SIGNATURE

President

TITLE

DATE

1/31/07



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/07/13

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).


PRODUCER Hcm Event Insurance Services, Inc. 1407 Foothill Blvd #228 La Verne, CA 91750 Phone (866) 866-7090 Fax (866) 496-5868	CONTACT NAME: Ed Moore PHONE (A/C No. Ext): (866) 866-7090 FAX (A/C No.): (866) 496-5868 E-MAIL ADDRESS: ed@hcmeventinsurance.com
	INSURER(S) AFFORDING COVERAGE INSURER A: Lexington Insurance Company INSURER B: Houston Casualty Company INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> \$10,000 inland Marine Property <input type="checkbox"/> GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	Y N	075-715806	01/01/2013	01/01/2014	EACH OCCURRENCE \$ 5,000,000.00 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000.00 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 5,000,000.00 GENERAL AGGREGATE \$ 5,000,000.00 PRODUCTS - COMPROP AGG \$ 5,000,000.00 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/>	Y N	075-715806	01/01/2013	01/01/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000.00 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Excess Medical		13/7002331	01/01/2013	01/01/2014	each person \$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 104, Additional Remarks Schedule, if more space is required)
 Named insured to Read: Sea Otter Classic, Inc. and Sea Otter Classic Foundation, Inc. and Bicycle Ride Directors Association of America. Event; Sea Otter Classic and Gran Fondo Expo, Educational Programs and Seminars. Certificate holder is added as additional insured. This insurance is primary insurance and no separate insurance policy or self insurance of the named additional insured shall be called on to contribute to any loss incurred in connection with the contractors/vendors performance. This insurance policy shall not be cancelled or reduced without 30 days prior written notice to the County of Monterey, Director of Parks.

CERTIFICATE HOLDER County of Monterey, the United States of America its officers, agents & employees 312 Alisal Street Salinas, CA 93901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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Issued by: Lexington Insurance Company
Policy Number: 075-715806
Issued to: Sea Otter Classic, Inc. / Bicycle Ride Directors Association
of America
Effective: January 1, 2013

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – Designated Person Or Organization

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

ADDITIONAL INSURED:

The County of Monterey, United States of America, its officers, agents, and employees is added as additional insured. This insurance is primary insurance and no separate insurance policy or self insurance of the named additional insured shall be called on to contribute to any loss incurred in connection with the contractors/vendors performance. This insurance shall not be cancelled or reduced without 30 days prior written notice to the County of Monterey, Director of Parks.

WHO IS AN INSURED (Section II) is amended to include as an insured any designated person or organization shown in the Schedule, subject to the following provisions:



CERTIFICATE OF LIABILITY INSURANCE Page 1 of 2

DATE (MM/DD/YYYY)
02/27/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of Texas, Inc. c/o 26 Century Blvd. P.O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME: PHONE (A/C, NO, EXT): 877-945-7378 FAX (A/C, NO): 888-467-2378 E-MAIL ADDRESS: certificates@willis.com
	INSURER(S) AFFORDING COVERAGE NAIC# INSURER A: Federal Insurance Company 20281-001
INSURED USA Cycling, Inc. 210 USA Cycling Point Colorado Springs, CO 80919	INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: 19444609

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	Y		79960314	12/31/2012	12/31/2013	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 3,000,000
							PRODUCTS - COMP/OP AGG \$ 1,000,000
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC \$							
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
							\$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			79960315	12/31/2012	12/31/2013	EACH OCCURRENCE \$ 4,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 4,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		N/A				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	<input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N					E.L. EACH ACCIDENT \$
	<input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, if more space is required)

This voids and replaces all previously issued certificates.

Endorsement 80-02-2306: Additional Insured : As required by written contract, Certificate Holders are named as Additional Insureds for USA Cycling sanctioned/permited events.

CERTIFICATE HOLDER

CANCELLATION

County of Monterey, the United States of America,
 Its Officers, Agents, and Employees
 Monterey County Parks Department
 Attn: Lavonne Chin
 1025 Monterey - Salinas Hwy 68
 Salinas, CA 93908

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



ADDITIONAL REMARKS SCHEDULE

AGENCY Willis of Texas, Inc.		NAMED INSURED USA Cycling, Inc. 210 USA Cycling Point Colorado Springs, CO 80919	
POLICY NUMBER See First Page		EFFECTIVE DATE: See First Page	
CARRIER Federal Insurance Company	NAIC CODE 20281-001		

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE**

Endorsement 80-02-9301: Event Organizer and/or Promoters are Named Insureds. It shall be a condition of coverage that all organizers/promoters for whom coverage is afforded under this policy execute a USAC event permit application and coverage will be afforded only for the specific event and dates on the permit.

**Event #2013-50
Event Name: 2013 Sea Otter Classic - Road
Event Location: Monterey, CA
Event Dates: 04/18/2013 - 04/21/2013**

The County of Monterey, United States of America, its officers, agents and employees are Additional Insureds with respects to Event #2013-50, 2013 Sea Otter Classic - Road, in Monterey, CA on 04/18/2013 - 04/21/2013, but only with respect to the liability arising out of the Named Insured's Operations.

Liability Insurance

Endorsement

Policy Period **DECEMBER 31, 2012 TO DECEMBER 31, 2013**
Effective Date **APRIL 18-21, 2013**
Policy Number **7996-03-14**
Insured **USA CYCLING, INC.**
Name of Company **FEDERAL INSURANCE COMPANY**
Date Issued **FEBRUARY 27, 2013**

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added:

Who Is An Insured

**State Or Political
Subdivision – Permits**

Any state or political subdivision designated below is an insured;
but they are insureds only with respect to liability arising out of operations
Performed by you or on your behalf for which the state or political
subdivision has issued a permit.

Under Bodily Injury/Property Damage Exclusions, the following exclusion is
added:

Bodily Injury/Property Damage Exclusions

**Operations For State Or
Political Subdivision**

This insurance does not apply to bodily injury or property damage
included within the products-completed operations hazard arising out
of operations performed for any state or political subdivision designated as
an insured.

Policy Exclusions

**Operations For State Or
Political Subdivision**

Under Policy Exclusions, the following exclusion is added:

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury included arising out of operations** Performed for any state or political subdivision designated as an insured.

Monterey County Parks Department
Attn: Lavonne Chin
1025 Monterey -Salinas Hwy 68
Salinas, CA 93908

All other terms and conditions remain unchanged.

Liability Insurance

Endorsement

Policy Period DECEMBER 31, 2012 TO DECEMBER 31, 2013
Effective Date DECEMBER 31, 2012
Policy Number 7996-03-14
Insured USA CYCLING, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued FEBRUARY 21, 2013

This Endorsement applies to the following forms:

GENERAL LIABILITY
EMPLOYEE BENEFITS ERRORS OR OMISSIONS
STOP GAP
STOP GAP - OHIO

Under Conditions, the following provision is added to the condition titled Other Insurance.

Conditions

*Other Insurance -
Primary, Noncontributory
Insurance - Scheduled
Person Or Organization*

If you are obligated, pursuant to a written contract or agreement, to provide the person or organization described in the Schedule (that is also included in the Who Is An Insured section of this contract) with primary insurance such as is afforded by this policy, then this insurance is primary and we will not seek contribution from insurance available to such person or organization.

Schedule

AS REQUIRED BY WRITTEN CONTRACT

All other terms and conditions remain unchanged.

Authorized Representative





Policy Conditions

Endorsement

Policy Period DECEMBER 31, 2012 TO DECEMBER 31, 2013
Effective Date DECEMBER 31, 2012
Policy Number 7996-03-14
Insured USA CYCLING, INC.
Name of Company FEDERAL INSURANCE COMPANY
Date Issued JANUARY 24, 2013

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

Under Conditions, the following condition is added.

Conditions

Notice Of Cancellation To Scheduled Persons Or Organizations When We Cancel

When we cancel this policy for any reason, other than non-payment of premium, we will notify person(s) or organization(s) shown in the Schedule at least 30 days in advance of the cancellation date.

Any failure by us to notify such person(s) or organization(s) will not:

- impose any liability or obligation of any kind upon us; or
- invalidate such cancellation.

Schedule

Person(s) or Organization(s): as required by written contract

If you are obligated, pursuant to a written contract or agreement, to provide person(s) or organization(s) with notice of cancellation, then we will notify such person(s) or organization(s) provided that within 15 days of the date we send notice of cancellation to the first named insured, the first named insured or producer of record provides us with a spreadsheet containing the name, mailing address and, if available, e-mail address of the person(s) or organization(s).

All other terms and conditions remain unchanged.

Conditions
(continued)

Authorized Representative

[Handwritten Signature]

Policy Conditions

Endorsement

Policy Period DECEMBER 31, 2012 TO DECEMBER 31, 2013
Effective Date DECEMBER 31, 2012
Policy Number 7996-03-14
Insured USA CYCLING, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued JANUARY 24, 2013

.....
This Endorsement applies to the following forms:

PROPERTY DECLARATIONS
LIABILITY DECLARATIONS

.....
The Named Insured is amended to include the following:

Named Insured

✓USA CYCLING, INC. DBA USA CYCLING ✓
✓UNITED STATES CYCLING FEDERATION (USCF) ✓
✓NATIONAL OFF ROAD BICYCLING ASSOCIATION (NORBA) ✓
✓NATIONAL COLLEGIATE CYCLING ASSOCIATION (NCCA) ✓
✓UNITED STATES PROFESSIONAL RACING ORGANIZATION
DBA UNITED STATES PROFESSIONAL
RACING ASSOCIATION (USPRO) ✓
✓BMX ASSOCIATION (BMXA) ✓
✓USA CYCLING DEVELOPMENT FOUNDATION ✓
✓USA CYCLING INDIVIDUAL LICENSEES WHO HAVE BEEN DULY LICENSED
BY USA CYCLING TO COMPETE OR PARTICIPATE OUTSIDE THE UNITED
STATES (INTERNATIONAL LICENSEE), BUT ONLY WHILE COMPETING OR
PARTICIPATING AT A USA CYCLING SANCTIONED EVENT OR WHILE
COMPETING, PARTICIPATING OR PRACTICING FOR CYCLING
COMPETITIONS WHILE OUTSIDE THE UNITED STATES. THIS
INSURANCE IS EXCESS OVER ANY OTHER VALID AND COLLECTIBLE
INSURANCE. ✓
USAC MEMBER CYCLIST; REGISTERED TEAMS; DISTRICT
REPRESENTATIVES; SOIGNEURS; USA CYCLING MEMBER CLUBS;
LOCAL ASSOCIATION; USAC LICENSED COACHES; AND USAC LICENSED
MECHANICS, EVENT ORGANIZERS/PROMOTERS/RACE DIRECTORS,
OFFICIALS, VOLUNTEERS, BUT ONLY FOR PARTICIPATION IN
SANCTIONED EVENTS OR USA CYCLING SPONSORED ACTIVITIES
INCLUDING THE COMPETITION, SCHEDULED PRACTICE SESSIONS,
EVENT SET UP, OPENING CEREMONIES, AWARDS CEREMONIES AND
EVENT TEAR DOWN AND ONLY FOR THE SANCTIONED EVENTS FOR THOSE
DATES IDENTIFIED IN THE USAC EVENTS PERMIT APPLICATION. ✓

Policy Conditions
(continued)

IT SHALL BE A CONDITION OF COVERAGE THAT ALL ORGANIZERS/
PROMOTERS FOR WHOM COVERAGE IS AFFORDED UNDER THIS POLICY
EXECUTE A USAC EVENT PERMIT APPLICATION AND COVERAGE WILL
BE AFFORDED ONLY FOR THE SPECIFIC EVENT AND DATES ON THE
PERMIT. ✓

All other terms and conditions remain unchanged.

Authorized Representative

