

**EXHIBIT "D"**  
**OPERATING DIRECTIVE**

Hillsborough County  
Aviation Authority

Number: D250.01.01  
(formerly known as OD-61)

Effective: 05/31/02

Revised: 02/20/08

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Subject: Contractual Insurance Terms  
and Conditions

**PURPOSE:** To establish the insurance terms and conditions associated with contractual insurance requirements. This operating directive is applicable to all companies with Authority contracts. Any exceptions to the following conditions, changes to required coverages or coverage limits must have prior written approval from the Executive Director, Deputy Executive Director or Senior Director of Administration.

**INSURANCE COVERAGE:**

A. Procurement of Coverage:

With respect to each of the required coverages, the company will, at the company's expense, procure, maintain and keep in force the amounts and types of insurance conforming to the minimum requirements set forth in the agreement. Coverages will be provided by insurance companies eligible to do business in the State of Florida and having an AM Best rating of A- or better and a financial size category of VII or better. Utilization of non-rated companies or companies with AM Best ratings lower than A- VII may be approved on a case by case basis. Such insurance will be no more restrictive than that provided by the latest edition filed for use in the State of Florida by the insurance service office, without restrictive endorsements. If the insurer does not meet these requirements, the Authority retains the right to approve or disapprove the use of the insurer.

B. Term of Coverage:

Except as otherwise specified in the agreement, the insurance will commence on or prior to the effective date of the agreement and will be maintained in force throughout the duration of the agreement. Three years' completed operations coverage must be maintained on all contractor's general liability policies and all professional liability policies effective on the date of substantial completion or the termination of the contract whichever is earlier.

C. Reduction of Aggregate Limits:

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If any reduction of an aggregate limit occurs, the company will take immediate steps to have it reinstated.

1. Cancellation Notice

Each of the insurance policies will be specifically endorsed to require the insurer provide the Authority with 30 days written notice prior to the cancellation of the policy. The endorsement will specify that such notice will be sent to:

Hillsborough County Aviation Authority  
Attn.: Executive Director  
Tampa International Airport  
Post Office Box 22287  
Tampa, Florida 33622

D. No waiver by approval/disapproval:

The Authority accepts no responsibility for determining whether the company's insurance is in full compliance with the insurance required by the agreement. Neither the approval by the Authority nor the failure to disapprove the insurance furnished by the company will relieve the company of their full responsibility to provide the insurance required by this agreement.

E. Future Modifications – Changes in Circumstances:

1. Changes in Coverages and Required Limits of Insurance

The coverages and minimum limits of insurance required by the agreement are based on circumstances in effect at the inception of the agreement. If in the opinion of the Authority, circumstances merit a change in such coverages or minimum limits of insurance required by the agreement, the Authority may change the coverages and minimum limits of insurance required, and that the company will, within 60 days of receipt of written notice of a change in the coverages and minimum limits required, comply with such change and provide evidence of such compliance in the manner required by the agreement. Provided,

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however, that no change in the coverages or minimum limits of insurance required will be made by the Authority until at least two years after inception of this agreement. Subsequent changes in the coverages or minimum limits of insurance will not be made by the Authority until at least two years after any prior change by the Authority unless extreme conditions warrant such change and are agreeable to both parties.

If in the opinion of the Authority compliance with the insurance requirements is not commercially practicable for the company, at the written request of the company, the Authority may, at its sole discretion and subject to any conditions it deems appropriate, relax or temporarily suspend, in whole or in part, the insurance requirements which would otherwise apply to the company. Any such modification will be subject to the prior written approval of the Authority, and subject to the conditions of such approval.

F. Proof of Insurance – Insurance Certificate:

1. Prior to Work, Use or Occupancy of Authority Premises

The company will not commence work, use or occupy Authority premises in connection with the agreement until the required insurance is in force, preliminary evidence of insurance acceptable to the Authority has been provided to the Authority, and the Authority has granted permission to the company to commence work or use or occupy the premises in connection with the agreement.

2. Proof of Insurance Coverage

As preliminary evidence of compliance with the insurance required by the agreement, the company will furnish the Authority with a certificate(s) of insurance satisfactory to the Authority. This certificate must be signed by an authorized representative of the insurer. If requested by the Authority, the company will, within 30 days after receipt of written request from the Authority, provide the Authority, or make available for review, a certified complete copy of the policies of insurance. The company may redact those portions of the

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insurance policies that are not relevant to the coverage required by the agreement. The company will provide the Authority with renewal or replacement evidence of insurance, acceptable to the Authority, prior to expiration or termination of such insurance.

The insurance certificate must:

- a. Indicate that, to the extent required by the agreement, the Authority, members of the Authority's governing body, and the Authority's officers and employees are included as Additional Insureds;
- b. Indicate that the certificate has been issued in connection with the agreement;
- c. Indicate the amount of any deductible or self-insured retention applicable to all coverages;
- d. Identify the name and address of the additional insured as:

Hillsborough County Aviation Authority  
Attn.: Executive Director  
Tampa International Airport  
Post Office Box 22287  
Tampa, Florida 33622  
and;

- e. Be signed and dated using approved methods by an individual who is an authorized representative of each insurer, whose insurance is the subject of the certificate and who is authorized by each such insurer to issue the certificate of insurance as modified. Facsimile signatures are acceptable.

**G. Deductibles / Self Insurance:**

1. All property and builders risk deductibles, as well as all self-insured retentions or any schemes other than a fully insured program, must be approved by the

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Authority. The company agrees to provide all documentation necessary for the Authority to review the deductible or alternative program.

2. The company will pay on behalf of the Authority, or any member of the Authority's governing body or any officer or employee of the Authority, any deductible or self-insured retention (SIR) which, with respect to the required insurance, is applicable to any claim by or against the Authority, or any member of the Authority's governing body, or any officer or employee of the Authority.
3. The agreement by the Authority to allow the use of a deductible or self-insurance program will be subject to periodic review by Risk Management. If, at any time, the Authority deems that the continued use of a deductible or self-insurance program by the company should not be permitted, the Authority may, upon 60 days written notice to the company, require the company to replace or modify the deductible or self-insurance in a manner satisfactory to the Authority.
4. Any deductible amount or SIR program will be included and clearly described on the certificate prior to any approval by the Authority. This is to include fully insured programs as to a zero deductible per the policy. Authority reserves the right to deny any certificate not in compliance with this requirement.

H. Company's Insurance Primary:

The company's required insurance will apply on a primary basis. Any insurance maintained by the Authority will be excess and will not contribute to the insurance provided by or on behalf of the company.

I. Company's Failure to Comply with Insurance Requirements:

1. Authority's Right to Procure Replacement Insurance

If after the inception of this agreement the company fails to fully comply with the insurance requirements of the agreement, in addition to and not in lieu of any other remedy available to the Authority provided by the agreement, the Authority

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may, at its sole discretion, procure and maintain on behalf of the company, insurance which provides, in whole or in part, the required insurance.

2. Replacement Coverage at Sole Expense of Company

The entire cost of any insurance procured by the Authority pursuant to this section will be paid by the company. At the option of the Authority, the company will either directly pay the entire cost of the insurance or immediately reimburse the Authority for any costs incurred by the Authority including premium and a 15% administration cost.

a. Company to Remain Fully Liable

Except to the extent any insurance procured by the Authority pursuant to this section actually provides the insurance coverage required by the agreement, the company will remain fully liable for full compliance with the insurance requirements in the agreement.

b. Authority's Right to Terminate, Modify, or Not Procure

Any insurance procured by the Authority pursuant to this section is solely for the Authority's benefit and is not intended to replace or supplement any insurance coverage which otherwise would have been maintained by the company. Authority is not obligated to procure any insurance pursuant to these requirements and retains the right, at its sole discretion, to terminate any such insurance which might be procured by the Authority pursuant to this section.

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APPROVED: \_\_\_\_\_ /s/ John Wheat \_\_\_\_\_ DATE: 02/20/08