

Insurance Requirements.

A. Throughout the Term, Tenant shall procure and maintain, at Tenant's sole cost and expense, the following policies of insurance:

(i) Commercial General Liability and Property Damage Insurance or Comprehensive General Liability Insurance (on an occurrence form) insuring bodily injury, personal injury and property damage (and including, but not limited to, the following divisions and coverages: automobile, personal injury, broad form contractual liability covering oral and written contracts, owners' and contractors' protective and broad form property damage). Such insurance shall have the following minimum limits of liability: bodily injury, personal injury and property damage in the amount of \$1,000,000 per occurrence, and \$3,000,000 in the annual aggregate. The policy shall contain an additional insured endorsement and shall be primary coverage for Tenant and Landlord for any liability arising out of Tenant's and Tenant's employees' use, occupancy or maintenance of the Leased Premises and all areas appurtenant thereto. If Tenant's liability policies do not contain the standard ISO "separation of insureds" provision, or substantially similar clause, they shall be endorsed to provide cross-liability coverage. Landlord may require, not more frequently than once per year, that Tenant increase the insurance coverage in an amount reasonably determined by Landlord, but not in excess of that which is at such time being required by comparable landlords of comparable buildings in the vicinity of the Leased Premises.

(ii) Workers' Compensation insurance with coverage and minimum liability limits as required by applicable law, and if not so specified, \$1,000,000 and employer's liability insurance in an amount not less than \$500,000.

(iii) "**All Risks**" property insurance including at least the following perils: fire and extended coverage, smoke damage, vandalism and malicious mischief, sprinkler leakage and earthquake sprinkler leakage, upon all property and trade fixtures owned by Tenant, for which Tenant is legally liable, or that is installed on the Leased Premises by or on behalf of Tenant, including, without limitation, Tenant's personal property, fixtures and equipment, to the extent of the full replacement value thereof; and

(iv) Business Interruption, Loss of Income, and Extra Expense insurance in such amounts as will reimburse Tenant for direct or indirect loss of earnings and incurred costs attributable to the perils commonly covered by Tenant's property insurance described above, which shall include, without limitation, any business interruption, loss of income and extra expense caused by or arising from mechanical failures (including without limitation equipment and systems failures) on the Leased Premises or the interruption of Services (as such term is defined in Section 7 above) to cover a period of interruption of not less than twelve (12) months.

B. Landlord (and any mortgagees and ground lessors, if requested by Landlord) shall be named as an additional insured party, on ISO Additional Insured Form

CG2026, on all of the liability policies of insurance procured and maintained under Section 9.A above, as its interest may appear, and all said coverage shall be primary and not contributory. Tenant shall at all times keep Landlord supplied with copies of certificates evidencing that such insurance is in effect. Tenant shall not do, omit to do or permit to be done any act or thing upon the Leased Premises which will invalidate or be in conflict with any such insurance policies. All of said policies of insurance shall be in a form reasonably acceptable to Landlord and written by an insurance company licensed to do business in California with a rating of "A-VIII" or better as set forth in the most current issue of Best's Insurance Guide. All such insurance maintained under Section 9.A shall not, however, limit the liability of Tenant hereunder. All such insurance maintained under Section 9.A shall not limit loss to that arising from the Leased Premises, but shall cover loss arising out of Tenant's operations and events occurring upon any common areas, parking areas, or other areas of the property owned by Landlord and of which the Leased Premises are a part. Said insurance shall have a Landlord's Protective Liability Endorsement attached thereto.

C. All policies of insurance required under Section 9.A above shall provide that they shall not be subject to cancellation or material change except upon prior written notice to Landlord at the address set forth for notice in Section 21 hereof. A certificate or certificates of insurance indicating compliance with the provisions of Section 9.A above shall be deposited with Landlord on or prior to the Commencement Date. Not less than ten (10) days prior to the expiration date of the term of the policies evidenced by such certificates, certificates of the renewal or replacement policy or policies shall be delivered to Landlord indicating continued compliance with the provisions of Section 9.A above. Tenant's obligations to carry the insurance provided for in Section 9.A above may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Tenant so long as Landlord (and those parties designated by Landlord, as provided in Section 9.B) shall be named as an additional insured thereunder, as its interest may appear; provided, however, that the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy or policies of insurance and, provided further, that the requirements of Section 9.A above are otherwise satisfied.

D. Tenant hereby releases Landlord and Landlord Parties from any claims for damage to any person, the Leased Premises and/or any personal property situated on the Leased Premises that are caused by or result from risks insured against under any insurance policies carried by Tenant and in force at the time of any such damage to the extent of the available insurance proceeds unless such damage is solely the result of Landlord's gross negligence or willful misconduct. Tenant shall cause each insurance policy carried by it regarding the Leased Premises to be written to provide that the insurance company waives all right of recovery by way of subrogation against Landlord in connection with any such damage covered by any such policy.