

**KANKAKEE, BEAVERVILLE & SOUTHERN RAILROAD
INSURANCE REQUIREMENTS
EXHIBIT C**

A. RAILROAD PROTECTIVE INSURANCE - DURING INSTALLATION PERIOD

If the LICENSEE shall use its own forces or shall employ a contractor for the installation of the Pipeline, then, before commencing work, the LICENSEE or LICENSEE'S CONTRACTOR, as the case may be, shall provide and maintain the following insurance, in form and amount and with the companies satisfactory to, and as approved by, the RAILROAD.

(a) Statutory Workers' Compensation and Employer's Liability insurance.

(b) An Occurrence Form Railroad Protective Policy with limits of not less than Two Million (\$2,000,000.00) Dollars per occurrence for Bodily Injury Liability, Property Damage Liability and Physical Damage to Property, with Six Million (\$6,000,000.00) Dollars aggregate for the term of the policy with respect to Bodily Injury, Liability, Property Damage Liability and Physical Damage to Property. The Policy must name

**KANKAKEE, BEAVERVILLE & SOUTHERN RAILROAD
P.O. BOX 119
IROQUOIS, IL 60945**

as the Insured, and shall provide for not less than ten (10) days prior written notice to Railroad of cancellation of, or any material change, in the policy.

B. POST INSTALLATION

Before commencing work, and until this Agreement shall be terminated or the Pipeline removed (whichever date is later), the LICENSEE shall provide and maintain the following insurance, in form and amount with companies satisfactory to, and as approved by, the RAILROAD:

(a) Statutory Workers' Compensation and Employer's Liability Insurance.

(b) Automobile Liability in an amount not less than One Million (\$1,000,000.00) Dollars combined single limit.

(c) Comprehensive General Liability in an amount not less than Two Million (\$2,000,000.00) Dollars combined single limit. In the event the policy is a Claims Made Policy, coverage shall include an aggregate of Six Million (\$6,000,000.00) Dollars.

The policy must name

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as an Additional Insured and must not contain any exclusions related to doing business on, near, or adjacent to Railroad facilities.

LICENSEE shall provide RAILROAD with a CERTIFICATE of INSURANCE, evidencing such coverage and, upon request, the LICENSEE shall deliver a certified, true and complete copy of the policy or policies. The policies shall provide for not less than ten (10) days' prior written notice to the RAILROAD of cancellation of, or any material change in, the policies.

It is understood and agreed that the foregoing insurance coverage is not intended to, and shall not, relieve the LICENSEE from or serve to limit LICENSEE'S liability under the provisions of the License Agreement.

It is further understood and agreed that, so long as this Agreement shall remain in force and the Pipeline shall not have been removed (whichever shall be later), the RAILROAD shall have the right, from time to time, to revise the amount or form of insurance coverages provided in this paragraph as circumstances or changing economic conditions may require. The RAILROAD shall give the LICENSEE written notice of any such requested change at least thirty (30) days prior to the date of expiration of the then existing policy or policies, which notice constitutes an amendment to this Agreement and shall become a part hereof; and the LICENSEE agrees to, and shall, thereupon provide the RAILROAD with such revised policy or policies therefor.

All insurance provided must be primary and shall not be reduced or limited by any insurance procured by RAILROAD.

END OF EXHIBIT.