

Iowa State Fair Thrill Parks Attraction Specification Outline

Registrations will be received for licensing for Thrill Park attractions at the Iowa State Fair in the Administration Building on the Iowa State Fairgrounds located at 3000 E. University Ave, Des Moines IA 50317. Registration shall be upon the form(s) provided for such purpose and shall be based on this Thrill Park Attraction Specification Outline.

The Iowa State Fair reserves the right to reject any and all submissions and to waive any informality there, and will not consider licensing any registrant having a reputation for unsafe and unethical business conduct.

Registrations will be accepted for consideration on the basis that registrants, (1) understand and agree to all terms and conditions contained in the following Thrill Park attraction specification outline, (2) provide all information requested on the registration form and in this Thrill Park attraction specification outline, and (3) if accepted, will execute a license in a form specified by the Iowa State Fair. Failure to provide data and make disclosures as requested and alterations of (or deviations from) this specification outline shall constitute grounds for rejection of registration.

INTRODUCTION

Operating period of the exposition will be eleven (11) days. Move in and set up may begin the Saturday preceding opening day (earlier set up may be approved by the Iowa State Fair upon request); tear down and removal must be completed no later than the Friday following the end of the Fair. Registrants should anticipate operating hours to be from 10 am to midnight daily at Thrill Ville and 9 am until 10 pm at Thrill Town.

Audited, annual paid attendance at the Iowa State Fair, averaged over the past (3) years is 1,000,000 plus people.

The Iowa State Fair operates an "all pay gate:" and admission through the outside gates of the exposition will be on a paid basis (only) for all personnel. No passes or complimentary tickets of any nature will be provided by the Iowa State Fair. Moreover, those licensed to present attractions at the Iowa State Fair may not provide passes, credits, coupons, products, services, rides or game play without charge to Iowa State Fair personnel or to other individuals without the expressed written consent of the Iowa State Fair, except as may be required for inspection and audit purposes.

DEFINITIONS

ATTRACTION(S) as used hereinafter shall mean all spectacular, major, intermediate and children's mechanical ride equipment, shows, games of skill and concessions.

CONCESSION(S) as used hereinafter shall mean all games of skill and merchandise.

RIDES/SHOWS as used hereinafter shall mean all spectacular, major, standard and children's mechanical ride equipment, shows, and the like.

SUPPORT EQUIPMENT as used hereinafter shall mean all electrical generation and distribution equipment, ticket sale boxes, light towers, water distribution equipment, guest comfort furnishings and the like.

SERVICE(S) as used hereinafter shall mean all safety, inspection and loss control services, staffing and other human services.

GENERAL INFORMATION

All attractions proposed by registrants for presentation must be the wholly-owned property of the registrant. Licensees may not assign or subcontract attraction space or license privileges to any other person or firm.

Licenses granting operation privileges will be issued directly by the Iowa State Fair (only). Privileges, duties, responsibilities, obligations and interests therein may not be assigned, sublet, sold, transferred, hypothecated and/or otherwise disposed of, except with the written permission of the Iowa State Fair.

Licenses granted the privilege of attraction operation shall agree to in all respects comply with the letter and spirit of all applicable laws, ordinances, regulations and coded standards of the State of Iowa or other jurisdiction or authority pertaining to their operations, obtain all required permits for operation, and in all respects comply with all applicable licensing requirements and inspection procedures in force and effect at any time during their operation at the Iowa State Fair, including any inspection procedures and all applicable rules of the Iowa State Fair.

Attraction licensees shall agree that all books, financial statements, source documents, accounting, financial and supply records, etc. relevant to their operations at the Iowa State Fairgrounds shall be open and readily available for audit upon request by the Iowa State Fair or the State of Iowa Auditor.

All Thrill Park employees must be housed in proper living quarters acceptable to and approved by the Iowa State Fair. Living or sleeping on, in or under rides, in games or concessions, in tents, automobiles or in stock or storage trucks/trailers will not be permitted.

PAYMENTS, PRICES, CREDITS AND COUPONS

Rides/shows

All rides/shows operated at the Iowa State Fair shall work on a specified credit basis requiring a specific credit count for use or admission; which number of credits shall be conspicuously posted at each ride/show location.

The Iowa State Fair shall furnish and sell all necessary credits for all rides/shows and provide a scanner for all rides/shows, at no cost to licensees. Licensees shall provide scan personnel at each ride/show, be responsible and accountable for all scanned credits collected at each ride/show and shall comply with all reconciliation and audit procedures prescribed by the Iowa State Fair.

Licenses shall submit to the Iowa State Fair, in advance of opening, a statement of the number of credits to be charged for any/all rides/shows they are licensed to operate at the Iowa State Fair (based on credit values established by the Iowa State Fair). Licensees shall not change any credit designation without the prior approval of the Iowa State Fair. No ride/show may be operated without a credit charge for use or admission. The Iowa State Fair may negotiate an alternative attraction admission program if it believes such to be appropriate.

On the gross receipts from operations of each ride/show the Iowa State Fair shall receive forty-five (45%) percentage payment. The Iowa State Fair may negotiate a lower percentage if it believes such to be appropriate.

Pay one Price (POP) Calculation:

Calculation of individual attraction grosses for the purpose of daily reconciliation between the Iowa State Fair and licensee shall be accomplished daily by:

1. Net wristband revenue (NWR).
2. The total number of wristband credits collected at all rides and attractions will be determined (TWCC).
3. Wristband points (WP) for each ride and show will be determined by multiplying the total number of wristband credits collected (WCC) by the Multiplier (M). The Multiplier for each ride or attraction is shown below.
4. All wristband points (WP) are totaled for the day to derive at the wristband total points (WTP).
5. The point value (PV) for each ride is calculated by dividing the net wristband revenue (NWR) by the total wristband total points (WTP).
6. The gross wristband revenue (GWR) for each ride and show is calculated by multiplying wristband points (WP) by the point value (PV).
7. Owner's net revenue (ONR) is calculated by removing state fair privilege (45%) from the gross wristband revenue (GWR)

Key for daily calculation:

- GWS = gross wristband sales
- M = multiplier
- WCC = wristband credits collected
- TWCC = total wristband credits collected
- WP = wristband points
- WTP = wristband total points
- PV = point value
- GWR = gross wristband revenue
- NWR = net wristband revenue
- ONR = owner net revenue

| Multiplier Table: | | | | |
|--|--|-----------|------------|--|
| Multiplier | Transportation | Staff | Mechanical | Other |
| 1 | 1 - pickup or car | 1 | no | unable to ride adults |
| 2 | 1 - one ton truck | 1 or 2 | yes/no | unable to ride adults |
| 3 | 1 - semi tractor or straight truck | 2 or 3 | yes/no | able to ride children and adults |
| 4 | 1 - semi tractor | 3 | yes/no | able to ride adults and children meeting height requirements |
| 5 | 1 & 1/2 trucks = 2 semi tractors and 1 straight truck or cargo trailer | 3 or 4 | yes | able to ride adults and children meeting height requirements |
| 6 | 2 - semi tractors | 4 | yes | able to ride adults and children meeting height requirements |
| 7 | 2 & 1/2 trucks = 2 semi tractors and 1 straight truck or cargo trailer | 4 or 5 | yes | able to ride adults and children meeting height requirements |
| 8 | 3 or 4 trucks = 3 or 4 semi tractors, or 3 semi tractors and 1 straight truck or cargo trailer | 5 | yes | able to ride adults and children meeting height requirements |
| 9 | 5 or 6 trucks = semi tractors | 6 | yes | able to ride adults and children meeting height requirements |
| 10 | 6 or more trucks = semi tractors | 7 or more | yes | able to ride adults and children meeting height requirements |
| Walkthrough attractions receive one less multiplier due to extensive capacity | | | | |

Example

| | Multiplier | | Wristband Credits Collected | = | Wristband Points | X | Point Value | = | Gross Wristband Revenue | - | Fair's Percentage | = | Owner's Net Revenue |
|--------------|------------|---|-----------------------------|---|------------------|---|-------------|---|-------------------------|---|--------------------|---|---------------------|
| Ride | (M) | X | (WCC) | = | (WP) | X | (PV) | = | (GWR) | - | 45% | = | 55%(ONR) |
| Wave Swinger | 6 | | 2100 | | 12600 | | 2.16 | | \$27,194.25 | | \$12,237.41 | | \$14,956.84 |
| Tilt-A-Whirl | 4 | | 1000 | | 4000 | | 2.16 | | \$8,633.09 | | \$3,884.89 | | \$4,748.20 |
| Coaster | 8 | | 1400 | | 11200 | | 2.16 | | \$24,172.66 | | \$10,877.70 | | \$13,294.96 |
| | | | <u>4500</u> | | <u>27800</u> | | | | <u>\$60,000.00</u> | | <u>\$27,000.00</u> | | <u>\$33,000.00</u> |

| | |
|------------------------------|-------------|
| Day's wristband ride gross= | \$60,000.00 |
| *0% Sales Tax | \$0.00 |
| Net wristband revenue (NWR)= | \$60,000.00 |

| | |
|--|-------------|
| Point Value=Net Wristband Revenue(NWR) | \$60,000.00 |
| divided by Wristband Total Points(WTP) | 27,800=2.16 |

*The Iowa State Fair is selling all credits and is tax exempt therefore sales tax does not apply.

Concessions

All games of skill operated at the Iowa State Fair shall work on a specified credit basis requiring a specific credit count for play; which number of credits shall be conspicuously posted at each game of skill location. Games of skill may not be operated on a cash or coin basis for player privileges.

The Iowa State Fair shall furnish and sell all necessary credits for all games of skill and provide the scanners necessary for all games of skill, at no cost to licensees. Licensees shall provide scanning personnel at each game of skill, be responsible and accountable for all scanned credits collected at their game(s) of skill and shall comply with all reconciliation and audit procedures prescribed by the Iowa State Fair.

All merchandise concession operated at the Iowa State Fair shall work on a specific cash price schedule for products or services, which shall be conspicuously posted at each such concession location.

Licensees shall submit to the Iowa State Fair, in advance of opening, a statement of the price(s) to be charged for any/all products and services or the credit count(s) for games of skill they are licensed to present (based on credit values established by the Iowa State Fair). Licensees shall not change any such price(s) or credit count(s) without the prior approval of the Iowa State Fair. No product or game play may be provided without charge.

On the gross receipts from operation of each concession the Iowa State Fair shall receive percentage payments as follows:

Merchandise concessions.....15% of gross revenue after 6% tax have been deducted.

Games of skill.....25% of gross revenue + 25% stock throw

The Iowa State Fair retains the right to adjust or establish any percentage payment amount, subject to the written agreement of both parties involved.

Support Equipment and Services

The Iowa State Fair shall contract and pay for the provision of certain support equipment, staffing and human services; e.g. credit sales booths, electrical power generation and distribution equipment, safety, inspection and loss control services, light towers, guest comfort furnishings, etc.

The Iowa State Fair shall designate the area and location for all living quarters, stock storage, office units, and empty trailers authorized for placement on the fairgrounds, if space is available. Fees charged for living quarters and office facilities shall be on a per unit, per day basis. Stock storage units and empty trailers may be placed without charge, if authorized, space is available and no utility services are needed for same.

UTILITIES

Sewer and Water

Water and sewer service is available on a limited basis and may be furnished to licensee's attraction(s) and/or support equipment if and when requested and available. Licensees will be charged for water use and sewer service. Where sewer access is not available, holding tanks are required and the Iowa State Fair will provide access to pumping service at the licensee's cost.

Electric

Electric consumption/usage costs for rides, shows and games of skill shall be included in the license percentage "privilege" for such attractions. All other concession licensees shall pay any costs associated with electric usage by their concession(s) based on actual consumption, within forty-eight (48) hours of billing receipt.

Licensees must supply at least one hundred fifty (150) feet of appropriate connecting "lead wire" and an acceptable and compatible connection device for any attraction(s) and/or support equipment they present.

GENERAL OPERATION

The Iowa State Fair shall designate the area(s) on the Iowa State Fairgrounds where each licensee may operate their attraction(s) during the Iowa State Fair. The location shall be selected solely by the Iowa State Fair. Through its duly authorized personnel, the Iowa State Fair shall at all times have free access to each licensee's area of operation for the purposes of inspection and to insure compliance with license terms and conditions, as well as Iowa State Fair Rules.

The Iowa State Fair reserves the right to approve the nature and content of any and all advertising, signs, graphics, posters and the like placed on or in any attraction and prohibit the use of such advertising, signs, graphics or posters not so approved.

Licensees shall keep their attraction(s) and support equipment in a good and safe state of repair and upkeep, use every known practicable safety device for the protection and safety of passengers and the public, and not bring onto the Iowa State Fairgrounds, or operate thereon, any attraction or support equipment which may be deemed by the Iowa State Fair to be unsafe, inappropriate, illegal, or otherwise objectionable. The Iowa State Fair shall have the authority to immediately close and order the removal of any attraction or support equipment that the Iowa State Fair, in its sole discretion, deems objectionable.

All licensees are required to use the Iowa State Fair's choice of canvas, banners, flags and umbrella's at their ride, game or merchandise concession for uniformity in the appearance of the Iowa State Fair midway. All the required canvas items will be available to purchase at cost.

Licensees shall not stage any added attraction(s) inside their licensed attraction(s), whether or not an additional charge is made for same, it being understood and agreed that the price for admission, product or play posted at the outside of each attraction shall be the entire charge made to the public.

Unless otherwise specified, all costs and expenses of operation, including wages, maintenance, repair parts, transportation, contract labor, licenses, permits, utilities, insurance and all overhead expense shall be the obligation of each licensee. Licensees will also provide and pay all personnel required for attraction and support equipment operation and maintenance, or service provision, unless otherwise specified.

All aspects of a licensee's operation, including, but not limited to, staff conduct and appearance, maintenance of appropriate and reasonable sound levels, handling consumer complaints and any other requirements placed on the licensee by the Iowa State Fair are the responsibility of the licensee and the physical, on-site presence of the licensee or Iowa State Fair approved representative of the licensee is a condition precedent to the granting of a license.

In the event a licensee should sell all or part of its attraction(s) to a third party and/or the current owner(s), for any reason, should cease to be active in the day-to-day management and operation of same, the Iowa State Fair, at its sole option, shall have the right to terminate its license by giving the licensee thirty (30) days written notice of termination.

All licensees and their personnel will be required to wear the appropriate uniform approved by the Iowa State Fair. All uniforms will be available at cost. Employee identification badges will be required for all attraction, support equipment and service supplier employees and agents and will be provided by the Iowa State Fair without charge to licensees. A drug test and background check will be required of all employees.

INDEMNITY AND INSURANCE

Licensees shall waive any claims against the Iowa State Fair for liability arising out of any damage or destruction done to their attraction(s) and/or support equipment from any cause whatsoever. The risk of loss occasioned by all of the operations, installations, acts, errors and omissions of the licensee, or the employees and agents of the licensee, on the Iowa State Fairgrounds shall be that of the licensee, and not that of the Iowa State Fair, and licensees shall under no circumstances seek contribution, damages or indemnification from the Iowa State Fair for any loss so occasioned.

Licensees shall assume all liability for injury to persons and for damage to property arising from accidents or other causes incident to the movement, set up, tear down and operation of their attraction(s) on the Iowa State Fairgrounds and release the Iowa State Fair from any such liability whatsoever, including, but not limited to liability for licensee's employees and to its worker's compensation insurance carrier for injuries sustained by licensee's employees in the course and scope of their employment.

Prior to the commencement of operation at the Iowa State Fair, licensees, support equipment and service contractors shall obtain policies of occurrence form commercial general public liability, automobile liability and workers' compensation insurance covering themselves, the Iowa State Fair (with the exception of automobile liability and workers' compensation) and their entire operations at the Iowa State Fair against all claims for personal injury, property damage or death incurred by reason of: accident; their operations, maintenance and/or installations; any claims for personal injury, property damage or death claimed by reason of their acts, errors or omissions or the acts, errors or omissions of their employees or agents on the grounds of the Iowa State Fair; the design, condition, maintenance and operation of their attraction(s) and/or support equipment; or loss or damage to persons or property deemed to be the responsibility of the Iowa State Fair because of its failure to supervise, inspect or control a licensee, support equipment or service contractor's operations, or otherwise discover or prevent their actions which give rise to liability to any person or property.

Licensees, support equipment and service contractors must agree to release and indemnify the Iowa State Fair from any liability whatsoever resulting from set up, tear down and operation of their attraction(s), support equipment and/or services they provide, and furnish copies of their entire liability insurance, worker's compensation and automobile insurance policies, in amounts and with terms, conditions and a company(s) eligible to do business and provide coverage in the State of Iowa satisfactory to the Iowa State Fair, at least forty-five (45) days prior to the commencement of operation. The minimum amount of general public liability insurance shall be \$1,000,000 combined single limits per occurrence (\$2,000,000 annual aggregate). The additionally insured clause must read

“State of Iowa, Iowa State Fair Authority, their officers, employees and agents as additional insured”. The Iowa State Fair may require a higher insurance limit in certain circumstances.

It shall be the duty of licensees, support equipment and service contractors and their insurers to defend, indemnify and hold the Iowa State Fair harmless from all damages, costs, attorney and court fees, as well as any claims arising out of their actions, errors, omissions, movement, set up, tear down and operation of attractions, support equipment and/or provision of service(s) at the Iowa State Fair.

ATTRACTION INFORMATION AND INSPECTION:

Licensees shall meet or exceed all applicable standards for the safe placement, erection, testing, maintenance, inspection and operation of amusement attractions and support equipment as set forth in the most current specifications of the manufacturer, by the American Society for Testing and Materials and/or by any other governmental agency having jurisdiction, together with those modifications and amendments to same promulgated and received by the licensee prior to opening at the Iowa State Fair.

Licensees shall comply with State of Iowa ride, safety and electrical inspection laws and provide the Iowa State Fair with copies of any inspection reports, correction orders, affidavits, insurance records, etc. required or generated thereby, immediately upon licensee’s receipt of such materials.

Licensees shall provide the Iowa State Fair with copies of any and all attraction inspection reports and notice of any prior accidents or significant incidents involving their attraction(s) during the preceding twelve (12) month period. If others may have owned or operated the attraction(s) during this period, details of such circumstances should be provided.

Licensees shall also provide the Iowa State Fair with duplicate copies of all independent, insurance company and/or underwriter inspection reports relative to their operations at the Iowa State Fair immediately upon the licensee’s receipt of same.

Licensees shall prominently post at their attractions, clearly understood and visible signs, approved by the Iowa State Fair, that communicate to the public appropriate instructions and warnings regarding safe use of their attraction(s), including, but not limited to, instructions to persons with disabilities and parents of minor children, limitations or exclusions due to age, weight, height or physical condition.

Rides/Shows:

All safety and restraint systems specified by the ride/show manufacturer must be in place and in proper working order on all rides/shows.

Prior to the opening of the Iowa State Fair; each day during the Fair before opening and operation; and subsequent to any repair or maintenance shut-down before commencing ride/show operations; licensees shall conduct an inspection of and submit to the Iowa State Fair a properly completed manufacturer’s operator/inspector manual safety checklist for each ride/show they are licensed to present, with the authorizing signature of the Iowa State Fair’s safety, inspection and loss control contractor.

If no such checklist is available, the Iowa State Fair and its safety, inspection and loss control contractor may substitute its own inspection form for submission by the licensee, with the authorizing signature of the Iowa State Fair’s safety, inspection and loss control contractor.

Copies of said completed and authorized checklists must be provided to the Iowa State Fair immediately upon their completion.

Licensees are required to have manuals provided by the manufacturer that detail operating, maintenance and inspection procedures for their attraction(s), and make them available for reference and review upon request by the Iowa State Fair, electrical inspectors and/or safety, inspection and loss control personnel. Manuals must be printed in the English language, or must have been translated into English at the licensee's expense.

Licensees that employ non-English speaking personnel should have a documented program in place that provides training and all required paperwork in the employee's native language. (Example: Daily Pre-opening Inspection Checklist, Operator's Fact Sheet, Periodic Maintenance, Training Log, etc).

Concessions:

Licensees shall conspicuously display, in plain public view, fees payable for all games of skill and merchandise. Licensees shall also conspicuously display, in plain public view, professionally printed, large and easy to read product signage. Instructions and rules for all games of skill must be clearly posted, including how prizes are won and any restrictions on numbers and types of prizes which may be won by an individual player per day, as approved by the Iowa State Fair. Concession numbers shall be provided (at no charge) and assigned by the Iowa State Fair. Posted concession numbers, instructions, rules, menus and fees shall not be changed in any manner without the prior approval of the Iowa State Fair.

All game and merchandise operators must participate in the Iowa State Fair's special promotions.

Games of skill will be operated on a credit basis only...no cash or coins. No game of skill may be played, nor product or service provided, without charge for same, or for any amount greater or less than the approved and posted price. All game play requires payment before each play; charging after play is not permitted. No free or "bonus" play may be provided as an incentive for customers to play games.

Posted game instructions must clearly indicate the size and quality of prizes offered for each win category. Game prizes must be displayed and clearly marked for each win category. Prizes that cannot be won must not be displayed. Repurchase of prizes, cash prizes and forfeiture of previously won prizes in exchange for additional play are prohibited, but small prizes may be exchanged for prizes of greater value, provided the number of prizes required is clearly indicated.

No game of skill may be presented in which the outcome of the game is placed in the judgment of the game operator or their employee. No conversion charts, score cards, punch boards or the like may be used as part of any game. No game operator or their employee may throw or toss any object (e.g. baseball, basketball, etc.) to a patron, potential patron, or into a public walkway near their attraction.

No game operator or employee may touch, grab or in any manner physically restrain any player. No obstacles shall be permitted to hinder play by a game player. Games of skill must be designed and erected to completely contain all objects (i.e. balls, darts, projectiles, etc.) thrown as part of game play. No object thrown as part of game play may pass through the game, around backboards or bounce back towards the player, unless approved by the Iowa State Fair as an aspect of game play.

All games of skill must be attainable and possible for the player and game operator to win under the game rules from the specified player's position, must fully comply with Iowa Statutes related to such games and, in every instance, the game must involve skill (not chance), must be fair and must provide the player with a reasonable opportunity to win.

The information contained herein is an outline of only the basic requirements related to Thrill Park attractions and their operation and does not represent a complete documentation of all current Iowa State Fair attraction specifications. The Iowa State Fair retains the right to alter and/or add to these specifications as it deems appropriate in the process of attraction licensing.