

# Watco Companies

## Insurance Requirements for Outside Contractors

### General Liability Insurance:

The Contractor shall furnish evidence to The Railroad, that with respect to the operations he/she performs, he/she carries Contractor's Comprehensive General Liability Insurance providing for limits of not less than \$5,000,000 per occurrence / \$5,000,000 aggregate. The policy shall include:

- Completed operations liability
- Contractual liability which would cover liabilities assumed under the contract with The Railroad.
- An endorsement deleting all exclusions for work performed near a railroad.
- An endorsement adding The Railroad as an additional insured and providing The Railroad 30 days Notice of Cancellation or intent not to renew.

The Policy shall be placed with an insurer acceptable to The Railroad. If any part of the work is sublet, similar insurance shall be provided by or on behalf of the subcontractors to cover their operations.

The insurance company shall agree to investigate and defend all claims and suits against the Insured for the damages covered, even if groundless, until the insurance company shall elect to effect settlement.

The cost of such insurance shall be distributed over the various prices submitted in the Proposal.

The Contractor shall not cause any policy to be canceled or permit them to lapse and the policy shall not be subject to cancellation or a reduction in the required limits of liability or amounts of insurance until notice has been mailed by registered mail to The Railroad stating when, not less than thirty (30) days thereafter, such cancellation or reduction shall be effective. Comprehensive General Liability insurance shall be in effect before further work will be permitted at the site by the Contractor.

A Certificate of Insurance (2 copies) shall be furnished prior to award of contract and attached to copies of the contract when executed. A copy of the policy together with all endorsements shall be delivered to the Property Manager.

### Railroad Protective Liability Insurance:

When working within the Railroad's right of way, your company will be required to obtain Railroad Protective Liability Insurance for the project. **This is a mandatory requirement.**

Obtaining this insurance for these projects can be a time-consuming and costly purchase for the contractor. **We have made special arrangements with Bukaty Property & Casualty Services, Inc. to provide a low cost and time saving RPL insurance product.** All it takes is a few minutes to complete a simple [application](#) for your quote. When you are ready to purchase the coverage, just send the RPL premium to **Bukaty Property & Casualty Services, Inc.** Once they receive the premium they will immediately issue the Railroad Protective Liability coverage and provide us the policy. We consider this program a true time saver in obtaining Railroad Protective Liability insurance and

you are assured that this coverage will fully comply with the Railroad Protective requirements within your contract.

To review Frequently Asked Questions (*FAQ's*) please [click here](#).

For questions concerning your Right of Entry onto Railroad Property or other related Railroad issues, please contact your Railroad project manager assigned to the specific job.

Railroad Protective Liability Insurance shall conform to the Standard Provisions for General Liability Policies, Railroad Protective Liability Form (State or Federal Highway Projects). These provisions may not be amended and no part may be omitted. Limits of policies to be \$2,000,000 combined single limit Bodily Injury and Property Damage liability each occurrence, \$6,000,000 annual aggregate.

A Railroad Protective Liability Policy shall be issued with the name of the insured being the **Railroad**. Such a policy shall be furnished by the Contractor covering his own employees as well as those of all subcontractors and those employees of the Railroad having occasion to work as the project site.

Railroad Protective Liability Insurance Policy must define designated employees to include:

- a. Any watchman, flagman, inspector, engineer, maintenance of way employee or similar employee who is employed by the Railroad and is specifically assigned or furnished by the Railroad for work in connection with the project.
- b. Any employee of the Railroad while operating the work trains or other equipment assigned to the project by the Railroad and while engaged in the performance of work directly chargeable to the Contractor.

The original of this policy shall be sent to the Property Manager.

The Contractor shall not cause any policy to be canceled or permit them to lapse and the policy shall not be subject to cancellation or a reduction in the required limits of liability or amounts of insurance until notice has been mailed by registered mail to the Railroad stating when, not less than thirty (30) days thereafter, such cancellation or reduction shall be effective.

- a. Any watchman, flagman, inspector, engineer, maintenance of way employee or similar employee who is employed by the Railroad and is specifically assigned or furnished by the Railroad for work in connection with the project.
- b. Any employee of the Railroad while operating the work trains or other equipment assigned to the project by the Railroad and while engaged in the performance of work directly chargeable to the Contractor.

The original of this policy shall be sent to the Property Manager.

The Contractor shall not cause any policy to be canceled or permit them to lapse and the policy shall not be subject to cancellation or a reduction in the required limits of liability or amounts of insurance until notice has been mailed by registered mail to the Railroad stating when, not less than thirty (30) days thereafter, such cancellation or reduction shall be effective.

Equipment of the Contractor to be used adjacent to tracks shall be in first-class condition, so as to fully prevent any failures that would cause delay in the construction of the project or damage to Railroad facilities.

His equipment shall not be placed or put in operation adjacent to tracks without first obtaining permission from the Railroad.

Critical construction operations must be confined to limited periods, determined by the railroad, when such work can be accomplished with minimum interference with train schedules. The Contractor shall abide by the Railroad's schedule.

**Workman's Compensation Insurance:**

The Contractor shall provide adequate Workman's Compensation Insurance for all employed on the project who may come within the protection of such laws. Said insurance shall be written with such company as may be acceptable to the Railroad and the policy shall be submitted to the Railroad for examination. Satisfactory certificates of said insurance shall be filed with The Railroad prior to the commencement of operations by the Contractors. The Contractor will be charged with the responsibility for proper and adequate Workman's Compensation coverage for all his subcontract operations, and in the event the Contractor's policy does not cover each and every subcontractor, certification of insurance must be issued with companies that may be acceptable to the Railroad covering each and every subcontractor shall be filed with the Railroad prior to the commencement of such subcontract operations.

**Automobile Liability Insurance:**

Coverage for Contractor's owned, leased, or hired vehicles operating within or around the Railroad's property.

Single Limit Liability	\$ 2,000,000
Hired & Non-Owned Liability	2,000,000