

## INSURANCE REQUIREMENTS

The following insurance terms ("*Insurance Terms*") apply to all Suppliers unless otherwise specifically agreed to in writing by UPRR with respect to the applicable PO and/or Agreement. Provisions (b), (c) and (f) below only apply to Services POs and Agreements. These Insurance Terms are subject to and are incorporated into the applicable Terms and Conditions between UPRR and Supplier.

(a) *Commercial General Liability Insurance.* Commercial general liability ("CGL") with a combined single limit of not less than \$1,000,000.00 each occurrence and an aggregate limit of not less than \$2,000,000.00. CGL insurance must be written on ISO occurrence form CG 00 01 12 04 (or a substitute form providing equivalent coverage)

The policy must also contain the following endorsement(s) or language, which must be stated on the certificate of insurance:

- Contractual Liability Railroads ISO form CG 24 17 10 01 (or a substitute form acceptable to UPRR providing equivalent coverage) showing "Union Pacific Railroad Company Property" as the designated site for performance of the Services.

(b) *Business Automobile Coverage Insurance.* Business auto coverage written on ISO form CA 00 01 10 01 (or a substitute form providing equivalent coverage) with a combined single limit of not less than \$1,000,000.00 for each accident. Coverage must include liability arising out of any auto (including owned, hired and non-owned autos). The policy must contain the following endorsement(s), which must be stated on the certificate of insurance:

- Coverage For Certain Operations in Connection With Railroads ISO form CA 20 70 10 01 (or a substitute form acceptable to UPRR providing equivalent coverage) showing "Union Pacific Railroad Company Property" as the designated Job Site.
- Motor Carrier Act Endorsement – Hazardous materials clean up (MCS-90) if required by law.

(c) *Workers Compensation and Employers Liability Insurance.* Coverage must include but not limited to:

- Supplier's statutory liability under the workers compensation laws of the state(s) affected by this Agreement.
- Employer's liability (Part B) with limits of at least \$500,000.00 for each accident, a \$500,000.00 disease policy limit and \$500,000.00 for each employee.

If Supplier is self-insured, evidence of state approval and excess workers compensation coverage must be provided. Coverage must include liability arising out of the U.S. Longshoremen's and Harbor Workers' Act, the Jones Act, and the Outer Continental Shelf Land Act, if applicable.

(d) *Umbrella or Excess Insurance.* If Supplier utilizes umbrella or excess policies, these policies must "follow form" and afford no less coverage than the primary policy.

(e) The fact that insurance is obtained by Supplier will not be deemed to release or diminish the liability of Supplier, including, without limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by UPRR from Supplier or any third party will not be limited by the amount of the required insurance coverage. If any portion of the Services is to be subcontracted by Supplier, Supplier shall require the subcontractor to (1) provide and maintain insurance coverages as set forth herein naming UPRR as an additional insured, and (2) release, defend and indemnify the UPRR Indemnified Parties to the same extent and under the same terms and conditions as Supplier is required to release, defend and indemnify the UPRR Indemnified Parties herein.

(f) All policy(ies) required above (except business automobile workers compensation and employers liability) must include UPRR as "Additional Insured" using ISO Additional Insured Endorsement CG 20 26 (or substitute form(s) providing equivalent coverage) which must be stated on the certificate of insurance. The coverage provided to UPRR as additional named insured shall not be limited by the Supplier's liability under the indemnity provisions hereof. BOTH SUPPLIER AND RAILROAD EXPECT THAT UNION PACIFIC RAILROAD COMPANY WILL BE PROVIDED WITH THE BROADEST POSSIBLE COVERAGE AVAILABLE BY OPERATION OF LAW UNDER ISO ADDITIONAL INSURED FORM CG 20 26.

(g) Prior to commencing the Services and annually thereafter throughout continuation of the Services, Supplier shall furnish UPRR with certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements in this Agreement.

(h) Supplier waives all rights against UPRR and its agents, officers, directors and employees, where permitted by law, for recovery of damages to the extent these damages are covered by the workers compensation and employers liability or commercial umbrella/excess liability insurance obtained by Supplier required by the Terms and Conditions, which must be stated on the certificate of insurance.

(i) Any punitive damages exclusion(s) must be deleted (and the deletion indicated on the certificate of insurance), unless (a) insurance coverage may not lawfully be obtained for any punitive damages that may arise under the Terms and Conditions; or (b) all punitive damages are prohibited by all states in which Services will be performed.

(j) Any insurance policy shall be written by a reputable insurance company acceptable to Railroad or with a current Best Insurance Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the service is to be provided.

(k) For purposes of these Insurance Terms, UPRR shall mean "Union Pacific Corporation" and "Union Pacific Railroad Company" and the affiliates of each.