

## RESOLUTION NO. 22042

**Background**

In furtherance of The Illinois State Toll Highway Authority's ("Tollway") Elgin O'Hare Western Access project ("Project"), and in accordance with the November 29, 2018 memorandum of understanding between the Tollway and the Union Pacific Railroad ("UP"), it is necessary and in the best interest of the Tollway to enter into the "Elgin O'Hare Western Access Project – Property Transfer and Construction Master Agreement" ("Master Agreement") with UP.

Pursuant to the Master Agreement and a contract between the Tollway and Soo Line Railroad Company d/b/a Canadian Pacific, the Tollway will obtain the land and property rights it requires to, among other things, relocate and replace an existing UP bridge, construct a new elevated UP bridge and construct of a new, parallel elevated Tollway bridge. The Master Agreement specifically describes (i) the real property transfers that will take place between the Tollway and UP, (ii) the parties' various duties and obligations relative to each other and relative to the maintenance and repair of the new bridges, and (iii) the compensation UP will receive therefor from the Tollway.

**Resolution**

The Tollway's General Counsel is authorized to further negotiate and finalize the Elgin O'Hare Western Access Project – Property Transfer and Construction Master Agreement, and all related documents, in substantial accord with the form Master Agreement discussed in Executive Session. The Chairman/Chief Executive Officer of the Tollway, subject to the approval of the Chief Financial Officer, is authorized to execute said Master Agreement, and the Chief Financial Officer is authorized to issue warrants in payment thereof.

Approved by:



The background of the top half of the page is a photograph of a modern glass building facade. The glass reflects the sky and surrounding environment. A person is visible walking on a balcony or walkway within the building. The overall color palette is dominated by blues and greys.

# Illinois State Toll Highway Authority

September 1, 2020 – 2026

## Blanket Railroad Protective Liability Insurance Proposal – Union Pacific

Presented on July 29, 2020 by:

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## Table of Contents

Company Profile.....	2
Alliant Advantage .....	3
Your Service Team.....	4
Executive Summary .....	5
Named Insured / Additional Named Insureds .....	7
Schedule of Locations .....	8
Schedule of Locations .....	9
Union Pacific Locations .....	9
Line of Coverage.....	10
Blanket Railroad Protective Liability Coverage.....	10
Premium Summary.....	13
Marketing Summary .....	15
Disclosures .....	16
NY Regulation 194.....	17
FATCA:.....	17
Claims Reporting:.....	17
Commission: .....	17
Changes and Developments.....	18
Certificates / Evidence of Insurance.....	18
Flood Offering .....	19
Optional Coverages.....	20
Glossary of Insurance Terms.....	20
Request to Bind Coverage.....	21
Quotes .....	22
Policy Forms .....	237

## Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
  - Strategy
  - Employee Engagement
  - Procurement
  - Analytics
  - Wellness
  - Compliance
  - Benefits Administration
  - Global Workforce
- Industry Solutions
  - Construction
  - Energy and Marine
  - Healthcare
  - Law Firms
  - Public Entity
  - Real Estate
  - Tribal Nations
  - And many other industries
- Co-Brokered Solutions
  - Automotive Specialty
  - Energy Alliance Program
  - Hospital All Risk Property Program
  - Law Firms
  - Parking/Valet
  - Public Entity Property Insurance Program
  - Restaurants/Lodging
  - Tribal Nations
  - Waste Haulers/Recycling
- Business Services
  - Risk Control Consulting
  - Human Resources Consulting
  - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States.

## Alliant Advantage

	Alliant	Competition
1. Satisfying the insurance needs of business for nearly 90 years	✓	
2. Privately owned and operated.	✓	
3. A full-service insurance agency for all your business, life and health, and personal insurance.	✓	
4. Representing over 40 insurance companies to provide the best and most affordable coverage.	✓	
5. State-licensed support staff.	✓	
6. Dedicated Certificate of Insurance personnel.	✓	
7. Risk management services to help identify hazards and present options.	✓	
8. Workers' compensation insurance claims management at no additional charge.	✓	

## Your Service Team

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## Executive Summary

The Public Entity Professionals of Alliant Insurance Services, Inc. appreciates the opportunity to present the following Blanket Railroad Protective Liability – Union Pacific Railroad Company insurance proposal to the Illinois State Toll Highway Authority (ISTHA) for the 9/1/20-26 policy term.

The Public Entity team has strived to work with the ISTHA in controlling risk management costs through premium negotiation, loss control strategies and variable programs all designed to assist in your overall goals to administer the business of ISTHA leadership and fiscal responsibility.

### **Blanket Railroad Protective Liability – Union Pacific**

The ISTHA's contract with Union Pacific Railroad Company for the Elgin O'Hare Western Access Project requires the purchase of a Railroad Protective Liability policy. The required limits are \$10,000,000 per occurrence with an aggregate of \$20,000,000.

Railroad Protective Liability coverage protects the named insured railroad from third party claims for bodily injury and property damage that arise from the operations of a "Designated Contractor" and any of their subcontractors while working on a specific project. We designed this policy for the ISTHA to cover all contractors working on the Elgin O'Hare Western Access Projects that have been identified to occur on or near the Union Pacific right of way. This policy design realizes premium savings due to economies of scale using the buying power of all contracts together.

We approached the Railroad Liability Market Place and obtained the most comprehensive and cost effective quotation from Westchester Fire Insurance Company (Chubb).

Westchester Fire Insurance Company (A++ XV), is providing a Blanket Railroad Protective Liability quotation with \$10,000,000 per occurrence limits / \$20,000,000 aggregate limits with no deductible and a per project aggregate endorsement. The quotation provides coverage for six years.

The premium charge for the six year policy is \$526,783 Premium + \$10,536 Terrorism = \$537,319.

In accordance with the State of Illinois Master Insurance Brokerage contract, we have marketed this policy to a minimum of three insurance carriers. The carriers and their responses are as follows:

1. Aspen – Quoted a 5 year policy
2. AXA XL – No response
3. Berkley – Declined to quote
4. Chubb/Westchester – Quoted
5. Liberty International – Declined to quote
6. Lloyd's of London – No response
7. Zurich/Steadfast – Declined to quote

We truly appreciate the opportunity to present our proposal and look forward to discussing our enclosed comprehensive Blanket Railroad Protective Liability program to you.



## Named Insured / Additional Named Insureds

**Named Insured:**

Union Pacific Railroad Company

**Governmental Entity or Authority or Other Contracting Party:**

Illinois State Toll Highway Authority

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### NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

## Schedule of Locations

**Designated Contractor:**

Various locations for work performed at any job location or Right of Entry Permit as listed in the Quarterly Premium Reports the ISTHA submitted and we have on file.

**Governmental Entity or Authority or Other Contracting Party:**

Illinois State Toll Highway Authority

	Work Package	Construction Contract	Contract Description	Railroads Involved	Physical description of work being done
1	N06-A	I-18-4704	I-490 Advance Earthwork, Drainage and Retaining Wall Construction from Devon Ave to South of Touhy Ave	UP	Grading, Access Roads, Fence, Drainage adjacent to UP mainline
2	N06-B	I-20-4720	I-490 from Devon Avenue to Pratt Boulevard (Highway & Structures)	UP	Highway Bridge Construction over RR Mainline and RR Spur, Grading, Drainage, At-Grade Crossings
3	N07	TBD	I-490 from Pratt Blvd to Touhy Ave	UP	Drainage, ALSF Structures and Lights
4	N11	TBD	Reconstruction of Elmhurst Rd at Pratt Blvd	UP	Roadway Construction adjacent to at-grade spur crossing
5	E04	I-16-4669	West Terminal Interchange-Ramp Bridges	UP, CP	Highway Bridge Construction over UP and Retaining Wall Construction
6	N03/N04/N05	I-19-4714	Western Access Tollway (I-490) Roadway and Bridge Construction at Illinois Route 390 (IL 390)	UP, CP	Highway Retaining Wall and Roadside Barrier construction
7	E05-B	I-17-4673	Western Access Tollway (I-490) Roadway Construction Irving Park Road (Illinois Route 19) to Illinois Route 390	UP, CP	Grading on UP, utility installation under UP ALSF Structures and Lights
8	UP01-B	TBD	UP Railroad Realignment - Civil and Track work from IL 19 to South of Grand Ave, and UP Bridge over Bensenville Yard	UP, CP, Metra	Railroad Bridge Construction, Track Construction
9	UP01-C	TBD	UPRR Construction - Addison Creek Culvert and UP over Grand Ave Bridge	UP	Railroad Bridge construction
10	S08/S09	TBD	I-490 Bensenville Yard Overpass From Franklin Ave To IL 19	UP, CP, Metra	Highway Bridge Construction
11	S10	TBD	I-490 South of O'Hare Airport	UP	Retaining Wall Construction. Roadway Construction, Grading, Drainage adjacent to UP
12	CDA01	TBD	Advanced O'Hare Infrastructure Relocation	UP, CP	Airport Approach Light System Cabling under UP
13	S06	TBD	I-490 Franklin Park Connector	UP, CP	Roadway Ramp Construction Barrier Wall and Drainage adjacent to UP
14	S05	I-17-4339	I-294 (Grand Avenue to Wolf Road) and I-490 Ramps	UP	Highway Bridge Construction over UP, Drainage, Municipal Utilities under UP

Total

## Line of Coverage

### Blanket Railroad Protective Liability Coverage

<b>INSURANCE COMPANY:</b>	Westchester Fire Insurance Company (Chubb)
<b>A.M. BEST RATING:</b>	A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 11, 2019
<b>STANDARD &amp; POOR'S RATING:</b>	AA (Very Strong) as of January 24, 2020
<b>ILLINOIS STATUS:</b>	Admitted
<b>POLICY/COVERAGE TERM:</b>	September 1, 2020 To September 1, 2026
<b>Coverage Form:</b>	Railroad Protective Liability Coverage Form - CG 00 35 04 13 - Occurrence
<b>Limits:</b>	
Policy Aggregate – Per Project	\$ 20,000,000
Each Occurrence	\$ 10,000,000
<b>Deductible:</b>	\$ 0
<b>Rating Basis:</b>	
Total Contract Values	\$ 984,500,000
Contract Values within 50 ft.	\$ 240,000,000
<b>Reporting:</b>	Quarterly Bordereaux is required and must include the following information for each job: Name of Contractor, Description of Job and Job Contract Number
<b>Defense Inside/Outside the Limit:</b>	Defense costs are in addition to the limit.
<b>Who has the Duty to Defend:</b>	The Westchester policy wording is as follows: "We have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply.

## Blanket Railroad Protective Liability Coverage - Continued

### Additional Terms And Conditions:

#### Coverage Requested

- ISO form CG 00 35 04 13 – Railroad Protective Liability Coverage Form
- General Aggregate Limit to apply separately to each project
- FELA – Include coverage for railroad flagmen and supervisory personnel.
- Job Site and Description of Work:
  
- Designated Contractor
  
- Amend Physical Damage to Property Definition - “Physical Damage to Property” means direct and accidental loss of or damage to all property owned by any named insured and all property in any named insured’s care, custody, and control and arising out of the acts or omissions of the contractor set forth in the Declarations for this Policy.
- Limited Seepage and Pollution and Evacuation Expense
- No exclusion for punitive damages will be accepted

### Endorsement & Exclusions: (including but not limited to)

#### Westchester

- Yes
- Yes, MS-274212.1
- Yes - included in ISO coverage form
- Various performing work at any insured job location or Right of Entry Permit as listed in the Quarterly Premium Reports you submitted and we have on file
- Various performing work at any insured job location or Right of Entry Permit as listed in the Quarterly Premium Reports you submitted and we have on file
- Yes, GLE0227
- “Physical Damage to Property” means direct and accidental loss of or damage to all property owned by any named insured and all property in any named insured’s care, custody, and control
- Yes, GLE0231
- No exclusion for punitive damages
- GLE0145 (04/13) - Absolute Asbestos Exclusion
  - IL 00 21 09 08 - Nuclear Energy Liability Exclusion Endorsement
  - MS-274212.1 - Quarterly (QR) Premium Reporting Form
  - IL 00 03 09 08 - Calculation Of Premium
  - ALL-21101 (11/06) - Trade Or Economic Sanctions Endorsement
  - CG 29 06 01 18 - Illinois Changes - Cancellation And Nonrenewal
  - IL 01 62 10 13 - Illinois Changes - Defense Costs

Blanket Railroad Protective Liability Coverage - Continued

<p><b>Policy Premium:</b></p> <p><b>Terrorism Premium:</b></p> <p><b>Total Premium Cost:</b></p> <p><b>Minimum Earned Premium:</b></p> <p><b>Quote Valid Until:</b></p> <p><b>Policy Auditable:</b></p> <p><b>Binding Conditions:</b></p>	<ul style="list-style-type: none"> <li>• IL P 001 (01/04) - U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders</li> <li>• CC-1k11i (02/18) - Signatures</li> </ul> <p>\$ 526,783.00</p> <p>\$ <u>10,536.00</u></p> <p>\$ 537,319.00</p> <p>100%</p> <p>September 1, 2020</p> <p>Not Auditable</p> <ul style="list-style-type: none"> <li>• A written request to bind coverage</li> <li>• Completed, signed and dated Terrorism Election Form (ISTHA)</li> <li>• All contractors must adhere to following:             <ul style="list-style-type: none"> <li>○ The contractors General Liability Program and Excess Program on a combined occurrence basis must be equal to or greater than the occurrence limit offered under the Railroad Protective policy. A copy of the contractor's insurance certificate or written documentation would be required at the time of binding. General Liability Carrier and Excess Carrier must have a minimum A.M. Best rating of "A-IX" or better</li> <li>○ Contract will hold Railroad Harmless, add railroad as additional insured on contractors General Liability policy, and the contractual exclusion for work within 50ft has been deleted from the contractors General Liability and Umbrella policies</li> <li>○ No Railroad Employees provided to project under the direction of the contractor outside of flagging and or supervisory personnel</li> <li>○ No loaning of railroad equipment</li> </ul> </li> </ul>
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**See Disclaimer Page for Important Notices and Acknowledgement**

## Premium Summary

Coverage	Carrier	Agency / Direct	Premium*	Payment Plan
Blanket Railroad Protective Liability	Westchester Fire Insurance Company (Chubb)	Agency	\$537,319.00	
<b>Total Annual Premium</b>			<b>\$537,319.00</b>	

\*Include TRIA premium

### Payment Terms

- Premium is due within 30 days of policy inception
- Minimum Earned: This is the Minimum to Be Applied if Cancelled Mid-Term
  - Minimum Deposit: This is the Minimum Premium (100%) for the Policy Term
    - Minimum Deposit \$537,319

### Explanation of Payment Terms

- Minimum and Deposit
  - This is the amount of premium due at inception. Although the policy is subject to adjustment based on a premium. Therefore, the policy may generate an additional premium on audit, but not a return.
  - If such a policy is cancelled mid-term, the earned premium is the GREATER of the annual minimum times the short rate or pro-rata factor, or the actual earned premium as determined by audit, subject to a short rate penalty if applicable.
- Minimum Earned Premium
  - A minimum earned premium endorsement can be attached to either a flat charge policy or an adjustable policy. In either case, this amount is the LEAST that will be retained by the GREATER of the actual earned premium whether calculated on a pro-rate or short rate basis, or the minimum earned premium.
- Flat Cancellations
  - Surplus Lines insurance companies normally do not allow flat cancellations. Once the policy is in effect, some premium will be earned. The Payment of premium is your responsibility.

## Premium Summary - Continued

### Carrier Information

All proposed coverages are offered by Insurance Companies that may be licensed (Admitted) insurers in your state and/or excess or surplus lines insurers (Non-Admitted) approved for use in your state.

- Admitted
  - The term Admitted carrier refers to an insurer which has been approved (Admitted) by a given state's insurance department to write business in that state. Should an insolvency (bankruptcy) of an Admitted carrier occur, the insurer is protected by the State Guaranty Fund for a maximum per claim limit – subject to the rules of the State Fund where applicable.
  - The scope and eligibility of protection afforded by each state's Insurance Guaranty Fund varies. For example, in Illinois, you are not eligible for participation for any first party or third party claim, by or against an Insured, if the aggregate net worth of the insured organization (including its affiliates and any person with direct or indirect 10% controlling interest as calculated on a consolidated basis on December 31 of the year next preceding the date the Insurer becomes an insolvent insurer) exceeds \$25,000,000.
  - Please ask us for a copy of the specific Insurance Guaranty Fund statute for your state. We welcome the opportunity to discuss this in greater detail with you and/or your counsel, if you wish.
  
- Non-Admitted
  - A Non-Admitted carrier in a given state is not protected by the Guaranty Fund in that state should insolvency (bankruptcy) occur. Surplus lines taxes and fees will normally apply to any coverage/premiums provided by a Non-Admitted carrier.



## Marketing Summary

The results of our carrier negotiations are summarized below:

Carrier	AM Best Rating	Line of Business	Response
Aspen	A+ XV	RRP	Quoted - 5 year policy at \$546,934 in premium
AXA XL	A+ XV	RRP	Not responsive
Berkley	A+ XV	RRP	Declined to Quote
Westchester/Chubb	A++ XV	RRP	Quoted - 6 year policy at \$537,319 in premium
Liberty International	A XV	RRP	Declined to Quote
Lloyd's of London	A XV	RRP	Not responsive
Zurich/Steadfast	A+ XV	RRP	Declined to Quote

## Disclosures

**This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.**

**Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.**

**This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.**

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at [www.alliant.com](http://www.alliant.com). For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at [www.ambest.com](http://www.ambest.com). For additional information regarding insurer financial strength ratings visit Standard and Poor's website at [www.standardandpoors.com](http://www.standardandpoors.com).

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

## NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

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## Other Disclosures / Disclaimers

### FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

### Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

### Commission:

The current proposal issued by Alliant Insurance Services, Inc. for the effective dates of 8/1/20 to 8/1/26 includes one policy. Direct compensation is derived in the following manner: Premium \$537,319 x 14% Commission = \$75,225

- Commission received by Alliant Insurance Services, Inc. = \$67,703
- Commission received by CS Insurance Strategies Inc. = \$7,522

## Other Disclosures / Disclaimers - Continued

### Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

### Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

**See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.**

## Flood Offering

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

### Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provides information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- “a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area”...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

### Additional Information

- Flood Zones-
  - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
  - Increased limits over the maximum flood limit provided by NFIP

### FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

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If you do NOT wish to purchase flood insurance your signature is required below:

Signature:

Date:

Name Printed / Typed:

Company Name:



## Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

## Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

## Request to Bind Coverage

### Illinois State Toll Highway Authority

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Blanket Railroad Protective Liability	<input type="checkbox"/>

*This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.*

_____ <b>Signature of Authorized Insured Representative</b>	_____ <b>Date</b>
_____ <b>Title</b>	
_____ <b>Printed / Typed Name</b>	

**This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.***

**07/24/2020**

Cathy Juricic Easley  
Alliant Insurance Services Houston LLC  
200 South Wacker Drive Suite 3030  
Chicago, Illinois 60606

### Quote

**Named Insured:** Union Pacific Railroad Company  
1400 Douglas Street Stop 1690  
Omaha, Nebraska

**Job Location & Work:** As listed in the Quarterly Premium Reports you submitted and we have on file

**Designated Contractor & Mailing Address:** Various performing work at any insured job location or Right of Entry Permit as listed in the Quarterly Premium Reports you submitted and we have on file

**Governmental Entity or Authority Or Other Contracting Party:** Illinois State Toll Highway Authority

We are pleased to offer the following coverage quotation for the above referenced account. This quotation is based on the Company's policy forms and endorsements and supersedes the submitted coverage specifications.

Please read this quotation carefully, as the limits, coverage and other terms and conditions may vary significantly from those requested in your submission and/or from the expiring policy. Terms and conditions that are not specifically mentioned below are not included. The terms and conditions of this quotation supersede the submitted insurance specifications and all prior quotations. Actual coverage will be provided by and in accordance with the policy as issued.

This quotation has been constructed in reliance on the data provided in the submission. A material change or misrepresentation of that data voids this quotation.

**Policy Period:** From: 08/01/2020 To: 08/01/2026

**Company:** Westchester Fire Insurance Company - Admitted

**Coverage:** Railroad Protective Liability

<b>Limit :</b>	Each Occurrence	\$	10,000,000
	General Aggregate	\$	20,000,000



**Advance Premium:** \$526,783

**Minimum Earned Premium:** 100 % of Advance Premium (Earned at Inception).

**Term Minimum Premium:** 100 % of Advance Premium

**Taxes:** N/A

**Commission:** 14.00 %

**Rate per \$1000  
of Construction Costs:** FLAT

**Estimated Exposure:**

**Terms & Conditions:**

**TERRORISM RISK INSURANCE ACT:**

Attached please find a Disclosure Notice required by The Federal Risk Insurance Act.

The TRIA premium charge is \$ 10,536, which is in addition to the premium as shown.

If accepted

**Cap On Losses From Certified Acts of Terrorism**

Excludes losses arising out of a "Certified Act of Terrorism" for which we are not responsible under the terms of the Terrorism Risk Insurance Act due to application of the \$100 billion annual aggregate cap.

In addition to the above exclusions, to clarify our intent under umbrella and excess policies, as respects coverage that may be afforded under this policy for terrorism, in no event will we drop-down below our occurrence attachment point, indicated in our binder and set forth on the declarations page on the policy.

If rejected

**Exclusion of Certified Acts of Terrorism**

Excludes losses arising out of a "Certified Act of Terrorism" as defined by the Terrorism Risk Insurance Act.

**ADDITIONAL TERMS AND CONDITIONS**

**Forms(s):**

CG 00 35 04 13	Railroad Protective Liability Coverage Form
GLE0145 (04/13)	Absolute Asbestos Exclusion
IL 00 21 09 08	Nuclear Energy Liability Exclusion Endorsement
GLE0227 (07/14)	Amendment - Physical Damage to Property
GLE0231 (10/14)	Limited Seepage, Pollution and Contamination Coverage Including Evacuation Expense
IL 00 03 09 08	Calculation Of Premium -

MS-274212.1	Quarterly (QR) Premium Reporting Form -
MS-274212.3	Aggregate Limits Per Designated Job -
TBD	Premium audit -
ALL-21101 (11/06)	Trade Or Economic Sanctions Endorsement
CG 29 06 01 18	Illinois Changes - Cancellation And Nonrenewal
IL 01 62 10 13	Illinois Changes - Defense Costs
IL P 001 (01/04)	U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders
CC-1k11i (02/18)	Signatures

**Remarks:**

- This quote can only be bound subject to receipt of the outstanding information outlined below with an acceptable and favorable review of same.
- Actual coverage will be determined by and in accordance with the policy as issued by the insurer.
- All contractors must adhere to following:

The contractors General Liability Program and Excess Program on a combined occurrence basis must be equal to or greater than the occurrence limit offered under the Railroad Protective policy. A copy of the contractors insurance certificate or written documentation would be required at the time of binding. General Liability Carrier and Excess Carrier must have a minimum A.M. Best rating of "A-IX" or better.

Contract will hold Railroad Harmless, add railroad as additional insured on contractors General Liability policy, and the contractual exclusion for work within 50ft has been deleted from the contractors General Liability and Umbrella policies.

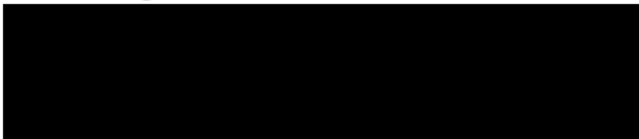
No Railroad Employees provided to project under the direction of the contractor outside of flagging and or supervisory personnel.

No loaning of railroad equipment.

**Quote Expiration Date:** The earlier of the proposed effective date or 30 days from the date of this quote.

Any questions, please call or e-mail. Thank you.

Best regards,



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Jill Anderson  
Railroad Senior Underwriter  
Phone: 214-777-4821  
Fax: 214-754-8126  
Email: [jtanderson@westchester.com](mailto:jtanderson@westchester.com)



Westchester's Claims Service proves exceptional. Advisen Industry Claims Satisfaction Survey ranks Chubb as most preferred insurer for Property, Management, and Professional Liability Claims Handling.

*Only carrier to be ranked number one in more than one category.*

**CLICK HERE**

**POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE  
COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury---in consultation with the Secretary of Homeland Security, and the Attorney General of the United States---to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss that may be covered by the federal government under the act.

**You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.**

COVERAGE OF "ACTS OF TERRORISM" AS DEFINED BY THE REAUTHORIZATION ACT WILL BE PROVIDED FOR THE PERIOD FROM THE EFFECTIVE DATE OF YOUR NEW OR RENEWAL POLICY THROUGH THE EARLIER OF THE POLICY EXPIRATION DATE OR DECEMBER 31, 2020. EFFECTIVE DECEMBER 31, 2020 THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT EXPIRES.

Acceptance or Rejection of Terrorism Insurance Coverage

**If you choose to purchase Terrorism Insurance Coverage, the portion of your premium that is attributable to coverage for acts of terrorism is \$10,536 \_\_\_\_\_.**

**If you choose to reject Terrorism Insurance Coverage, you or your authorized representative may do so by signing and returning this notice where indicated below or otherwise notifying us prior to the inception or renewal date of the policy. Failure to do so prior to such date will be deemed purchase of Terrorism Insurance Coverage.**

By Signing below, Terrorism Insurance Coverage is rejected.

\_\_\_\_\_  
Policyholder/Applicant/Authorized  
Representative's Signature

Westchester Fire Insurance Company  
Insurance Company

\_\_\_\_\_  
Print Name

Policy Number

\_\_\_\_\_  
Date

## AGGREGATE LIMITS PER DESIGNATED JOB LOCATION

Named Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period TO	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

Designated Job Location/ Project(s):

As listed in the Quarterly Premium Reports you submitted and we have on file.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. For all sums which the insured becomes legally obligated to pay as damages caused by occurrences under Section I – Coverage A and coverage B which can be attributed only to ongoing operations at a single designated “job location” shown in the Schedule above:
  - 1. A separate Designated Job Location Aggregate Limit applies to each designated “job location”, and that limit is equal to the amount of the Aggregate Limit shown in the Declarations.
  - 2. The Designated Job Location Aggregate Limit is the most we will pay for the sum of all damages under Coverage A and B, regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  - 3. Any payments made under Coverage A or B for damages shall reduce the Designated Job Location Aggregate Limit for that designated location. Such payments shall not reduce the any other Designated Job Location Aggregate Limit for any other designated “job location” project shown in the Schedule above.
  - 4. The limits shown in the Declarations for Each Occurrence continue to apply. However, such limits will be subject to the applicable Designated Job Location Aggregate Limit.
- B. If the applicable designated project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs,

specifications or timetables, the project will still be deemed to be the same construction project.

- C. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

All other terms and conditions of the policy remain unchanged.

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Authorized Representative

**SIGNATURES**

Named Insured <b>Union Pacific Railroad Company</b>			Endorsement Number
Policy Symbol <b>GLW</b>	Policy Number <b>Not Applicable</b>	Policy Period <b>08/01/2020 to 08/01/2021</b>	Effective Date of Endorsement <b>08/01/2020</b>
Issued By (Name of Insurance Company) <b>Westchester Fire Insurance Company</b>			

THE ONLY COMPANY APPLICABLE TO THIS POLICY IS THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

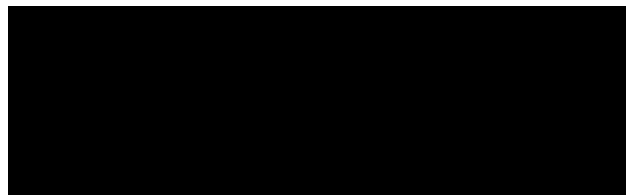
By signing and delivering the policy to you, we state that it is a valid contract.

- INDEMNITY INSURANCE COMPANY OF NORTH AMERICA** (A stock company)
- BANKERS STANDARD INSURANCE COMPANY** (A stock company)
- ACE AMERICAN INSURANCE COMPANY** (A stock company)
- ACE PROPERTY AND CASUALTY INSURANCE COMPANY** (A stock company)
- INSURANCE COMPANY OF NORTH AMERICA** (A stock company)
- PACIFIC EMPLOYERS INSURANCE COMPANY** (A stock company)
- ACE FIRE UNDERWRITERS INSURANCE COMPANY** (A stock company)
- WESTCHESTER FIRE INSURANCE COMPANY** (A stock company)

436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106-3703



REBECCA L. COLLINS, Secretary



JOHN J. LUPICA, President

## RAILROAD PROTECTIVE LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

### SECTION I – COVERAGES

#### COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any occurrence and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverage A.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" occurs during the policy period; and

- (2) The "bodily injury" or "property damage" arises out of acts or omissions at the "job location" which are related to or are in connection with the "work" described in the Declarations.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

##### 2. Exclusions

This insurance does not apply to:

###### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

###### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages assumed in a contract or agreement that is a "covered contract".

###### c. Completed Work

"Bodily injury" or "property damage" occurring after the "work" is completed. The "work" will be deemed completed at the earliest of the following times:

- (1) When all the "work" called for in the "contractor's" contract has been completed.
- (2) When all the "work" to be done at the "job location" has been completed.
- (3) When that part of the "work" done at the "job location" has been put to its intended use by you, the governmental authority or other contracting party.

This exclusion does not apply to "bodily injury" or "property damage" resulting from the existence of or removal of tools, uninstalled equipment or abandoned or unused materials.



**d. Acts Or Omissions Of Insured**

"Bodily injury" or "property damage", the sole proximate cause of which is an act or omission of any insured other than acts or omissions of any of "your designated employees". This exclusion does not apply to injury or damage sustained at the "job location" by any of "your designated employees" or employee of the "contractor", or by any employee of the governmental authority or any other contracting party (other than you) specified in the Declarations.

**e. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law. This exclusion does not apply to any obligation of the insured under the Federal Employers Liability Act, as amended.

**f. Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at or from the "job location":

- (1) Due to the past or present use of the "job location" by you or for you or others for the handling, storage, disposal, processing or treatment of waste; or
- (2) Due to the dumping or disposal of waste on the "job location" by the "contractor" with the knowledge of you or any of "your designated employees"; or
- (3) On which you or "contractors" working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the "job location" in connection with such operations by you, the "contractor" or "your designated employee". However, this subparagraph does not apply to:
  - (a) "Bodily injury" or "property damage" arising out of fuels or lubricants for equipment used at the "job location".
  - (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (4) On which you or "contractors" working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

**g. Damage To Owned, Leased Or Entrusted Property**

"Property damage" to property owned by you or leased or entrusted to you under a lease or trust agreement.

**h. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**COVERAGE B – PHYSICAL DAMAGE TO PROPERTY**

**1. Insuring Agreement**

We will pay for "physical damage to property" to which this insurance applies. The "physical damage to property" must occur during the policy period. The "physical damage to property" must arise out of acts or omissions at the "job location" which are related to or in connection with the "work" described in the Declarations. The property must be owned by or leased or entrusted to you under a lease or trust agreement.

**2. Exclusions**

This insurance does not apply to "physical damage to property":

**a. Completed Work**

Occurring after the "work" is completed. The "work" will be deemed completed at the earliest of the following times:

- (1) When all the "work" called for in the "contractor's" contract has been completed.
- (2) When all the "work" to be done at the "job location" has been completed.
- (3) When that part of the "work" done at the "job location" has been put to its intended use by you, the governmental authority or other contracting party.

This exclusion does not apply to "physical damage to property" resulting from the existence of tools, uninstalled equipment or abandoned or unused materials.

**b. Acts Or Omissions Of Insured**

The sole proximate cause of which is an act or omission of any insured other than acts or omissions of any of "your designated employees".

**c. Nuclear Incidents Or Conditions**

Due to nuclear reaction, nuclear radiation or radioactive contamination or to any related act or condition.

**d. Pollution**

Due to the discharge, dispersal, seepage, migration, release or escape of "pollutants" excluded under Exclusion f. Pollution, Coverage A.

**SUPPLEMENTARY PAYMENTS – COVERAGE A**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
3. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
4. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
5. Expenses incurred by the insured for first aid administered to others at the time of an accident, for "bodily injury" to which this insurance applies.
6. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
7. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

These payments will not reduce the limits of insurance.

**SECTION II – WHO IS AN INSURED**

1. You are an insured.
2. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers and directors.
3. Your stockholders are insureds, but only with respect to their liability as stockholders.

4. Any railroad operating over your tracks is an insured.

**SECTION III – LIMITS OF INSURANCE**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of all damages because of all "bodily injury", all "property damage" and all "physical damage to property".
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of all damages because of all "bodily injury", all "property damage" and all "physical damage to property" arising out of any one occurrence.
4. Subject to Paragraph 3. above, the payment for "physical damage to property" shall not exceed the lesser of:
  - a. The actual cash value of the property at the time of loss; or
  - b. The cost to repair or replace the property with other property of like kind or quality.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

**SECTION IV – CONDITIONS**

- A.** The following Conditions apply to Coverages A and B:
1. **Assignment**  
Assignment of interest under this Coverage Part shall not bind us unless we issue an endorsement consenting to the assignment.
  2. **Bankruptcy**  
Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.
  3. **Cancellation**
    - a. You may cancel this policy by mailing or delivering to us advance written notice of cancellation.

- b. We may cancel this policy by mailing or delivering to you, the "contractor" and any involved governmental authority or other contracting party designated in the Declarations, at the respective mailing addresses last known to us, written notice of cancellation at least 60 days before the effective date of cancellation.
- c. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- d. If this policy is cancelled, any unearned premium will be refunded. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- e. If notice is mailed, proof of mailing will be sufficient proof of notice.

#### 4. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. You are authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

#### 5. Inspections And Surveys

- a. We have the right to:
  - (1) Make inspections and surveys at any time;
  - (2) Give you reports on the conditions we find; and
  - (3) Recommend changes.
- b. We are not obligated to make inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - (1) Are safe or healthful; or
  - (2) Comply with laws, regulations, codes or standards.
- c. Paragraphs a. and b. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

- d. Paragraph b. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

#### 6. Other Insurance

The insurance afforded by this policy is:

- a. Primary insurance and we will not seek contribution from any other insurance available to you except if the other insurance is provided by a contractor other than the designated contractor for the same operation and "job location"; and
- b. If the other insurance is available, we will share with that other insurance by the method described below.

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 7. Premium And Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Contract cost, the premium base shown in the Declarations, means the total cost of the operations described in the Declarations.
- c. The premium shown in the Declarations as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the "contractor" designated in the Declarations. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the contractor designated in the Declarations.

In no event shall the payment of premium be your obligation.

## 8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

## 9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. The following Conditions apply to Coverage A only:

#### 1. Legal Action Against Us

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

#### 2. Duties In The Event Of Occurrence, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an occurrence which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the occurrence took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the occurrence.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and

- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

#### c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

#### 3. Separation Of Insureds

Except with respect to the Limits of Insurance, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

### C. The following Conditions apply to Coverage B only:

#### 1. Appraisal

If you fail to agree with us on the value of the property, or the amount of loss, either you or we may make written demand for an appraisal of the loss within 60 days after proof of loss is filed. In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the value of the property and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we still retain our right to deny the claim.

## 2. No Benefit To Bailee

No person or organization, other than you, having custody of the property will benefit from this insurance.

## 3. Insured's Duties In The Event Of A Loss

You must:

- a. Protect the property, whether or not the loss is covered by this policy. Any further loss due to your failure to protect the property shall not be recoverable under this policy. Reasonable expenses incurred in affording such protection shall be deemed to be incurred at our request; and
- b. Submit to us, as soon after the loss as possible, your sworn proof of loss containing the information we request to settle the loss and, at our request, make available the damaged property for examination.

## 4. Legal Action Against Us

No person or organization has a right under this policy to sue us on this policy unless all of its terms have been fully complied with and until 30 days after proof of loss is filed and the amount of loss is determined as provided in this policy.

## 5. Payment Of Loss

We may pay for the loss in money, but there can be no abandonment of any property to us.

## SECTION V – DEFINITIONS

1. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Contractor" means the contractor designated in the Declarations and includes all subcontractors working directly or indirectly for that "contractor" but does not include you.
3. "Covered contract" means any contract or agreement to carry a person or property for a charge or any interchange contract or agreement respecting motive power, or rolling stock equipment.
4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
5. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
6. "Job location" means the job location designated in the Declarations including any area directly related to the "work" designated in the Declarations. "Job location" includes the ways next to it.
7. "Physical damage to property" means direct and accidental loss of or damage to rolling stock and their contents, mechanical construction equipment or motive power equipment, railroad tracks, roadbeds, catenaries, signals, bridges or buildings.
8. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
9. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.
10. "Suit" means a civil proceeding in which damages because of "bodily injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:
  - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
11. "Work" means work or operations performed by the "contractor" including materials, parts or equipment furnished in connection with the work or operations.
12. "Your designated employee" means:
  - a. Any supervisory employee of yours at the "job location";
  - b. Any employee of yours while operating, attached to or engaged on work trains or other railroad equipment at the "job location" which are assigned exclusively to the "contractor"; or
  - c. Any employee of yours not described in Paragraph a. or b. above who is specifically loaned or assigned to the work of the "contractor" for the prevention of accidents or protection of property.

## ABSOLUTE ASBESTOS EXCLUSION

Named Insured Union Pacific Railroad Company			Endorsement Number
Policy Symbol GLW	Policy Number Not Applicable	Policy Period 08/01/2020 to 08/01/2021	Effective Date of Endorsement 08/01/2020
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:**

**RAILROAD PROTECTIVE LIABILITY COVERAGE FORM**

**The following exclusion is added to section 2. Exclusions of SECTION I – COVERAGES COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

**AND**

**The following exclusion is added to section 2. Exclusions of SECTION COVERAGE B – PHYSICAL DAMAGE TO PROPERTY:**

This insurance does not apply to "bodily injury", "property damage" or "physical damage to property" arising out of the actual, alleged or threatened exposure to asbestos; or for any fees, costs or expenses of any nature whatsoever in the investigation or defense of any claim or "suit" arising out of the actual, alleged or threatened exposure to asbestos.

All other terms and conditions of the policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
  - A. Under any Liability Coverage, to “bodily injury” or “property damage”:
    - (1) With respect to which an “insured” under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the “hazardous properties” of “nuclear material” and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the “insured” is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to “bodily injury” resulting from the “hazardous properties” of “nuclear material” and arising out of the operation of a “nuclear facility” by any person or organization.
  - C. Under any Liability Coverage, to “bodily injury” or “property damage” resulting from “hazardous properties” of “nuclear material”, if:
    - (1) The “nuclear material” (a) is at any “nuclear facility” owned by, or operated by or on behalf of, an “insured” or (b) has been discharged or dispersed therefrom;
    - (2) The “nuclear material” is contained in “spent fuel” or “waste” at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an “insured”; or
    - (3) The “bodily injury” or “property damage” arises out of the furnishing by an “insured” of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any “nuclear facility”, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to “property damage” to such “nuclear facility” and any property thereat.
2. As used in this endorsement:
 

“Hazardous properties” includes radioactive, toxic or explosive properties.

“Nuclear material” means “source material”, “special nuclear material” or “by-product material”.

“Source material”, “special nuclear material”, and “by-product material” have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

“Spent fuel” means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a “nuclear reactor”.

“Waste” means any waste material **(a)** containing “by-product material” other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its “source material” content, and **(b)** resulting from the operation by any person or organization of any “nuclear facility” included under the first two paragraphs of the definition of “nuclear facility”.

“Nuclear facility” means:

- (a)** Any “nuclear reactor”;
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing “spent fuel”, or **(3)** handling, processing or packaging “waste”;

**(c)** Any equipment or device used for the processing, fabricating or alloying of “special nuclear material” if at any time the total amount of such material in the custody of the “insured” at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

**(d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of “waste”;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

“Nuclear reactor” means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

“Property damage” includes all forms of radioactive contamination of property.



**AMENDMENT – PHYSICAL DAMAGE TO PROPERTY**

Named Insured Union Pacific Railroad Company			Endorsement Number
Policy Symbol GLW	Policy Number Not Applicable	Policy Period 08/01/2020 to 08/01/2021	Effective Date of Endorsement 08/01/2020
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:**

**RAILROAD PROTECTIVE LIABILITY COVERAGE FORM**

**Definition 7 of SECTION V – DEFINITIONS is deleted and replaced by:**

“Physical Damage to Property” means direct and accidental loss of or damage to all property owned by any Named Insured and all property in any Named Insured’s care, custody and control.

All other terms and conditions of the policy remain unchanged.

SPECIMEN

**LIMITED SEEPAGE, POLLUTION AND CONTAMINATION COVERAGE INCLUDING EVACUATION EXPENSE**

Named Insured Union Pacific Railroad Company			Endorsement Number
Policy Symbol GLW	Policy Number Not Applicable	Policy Period 08/01/2020 to 08/01/2021	Effective Date of Endorsement 08/01/2020
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:**

**RAILROAD PROTECTIVE LIABILITY COVERAGE FORM**

The policy is amended as follows:

**SECTION I., Exclusions F, Pollution**, is amended by adding the following:

This exclusion does not apply to "bodily injury" or "property damage" resulting from:

A. Seepage, pollution, or contamination caused solely by:

1. unintended fire, lightning or explosion; or
2. a collision or overturning of a road vehicle; or
3. a collision or overturning or derailment of a train; or
4. fuels or lubricants for equipment used at the "job location" which are brought on or to the "job location" in connection with such operations by such Insured, Contractor or Subcontractor.

B. "Evacuation Expenses" resulting from A. above.

The following Definitions apply to B. Above, "Evacuation Expenses":

"Evacuation Expenses" will mean reasonable travel expenses to designated areas, the additional cost of food and accommodation within such areas consequent upon an Evacuation.

"Evacuation" will mean the removal required by any public authority or the Insured of persons from a dangerous area to a designated safe area and the period of such "Evacuation" will last until the said dangerous area is deemed safe for persons to return either by public authority or the Insured.

It is further understood and agreed that with respect of any claim for "property damage" arising solely out of any "evacuation" the following definition and Exclusion will apply:

"property damage" means physical injury to or destruction of tangible property including loss of use of the tangible property so injured or destroyed; loss of use of tangible property which has not been physically injured or destroyed.

This policy will not apply to any "property damage" as defined above resulting from a delay in or lack of performance by or on behalf of the Insured of any contract or agreement.

Notwithstanding the foregoing, it is agreed that the coverage provided by this endorsement will not apply to:

1. loss of, damage to or loss of use of property directly or indirectly resulting from sub-surface operations of the Insured, and/or removal of, loss of or damage to sub-surface oil, gas or any other substance;
2. any site or location used in whole or in part for the handling, processing, treatment, storage, disposal or dumping of any waste materials or substances;

3. the cost of evaluating and/or monitoring and/or controlling seeping and/or polluting and/or contaminating substances;
4. the cost of removing and/or nullifying and/or cleaning up seeping and/or polluting and/or contaminating substances on property at any time owned and/or leased and/or rented by the Insured and/or under the control of the Insured.

Notwithstanding the foregoing, Item 1. does not apply to tunnels through which the Insured's trains operate.

All other terms and conditions of this policy remain unchanged.

SPECIMEN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

## TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

Named Insured Union Pacific Railroad Company			Endorsement Number
Policy Symbol GLW	Policy Number Not Applicable	Policy Period 08/01/2020 to 08/01/2021	Effective Date of Endorsement 08/01/2020
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.

\_\_\_\_\_  
Authorized Agent

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **RAILROAD PROTECTIVE LIABILITY COVERAGE PART**

**A. Cancellation** (Section IV 3.) is replaced by the following:

#### **1. Cancellation**

- a. You may cancel this Policy by mailing to us advance written notice of cancellation.
- b. We may cancel this Policy by mailing you, the "contractor", and any involved government authorities or other contracting parties designated in the declarations, at your last mailing addresses known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.

If we cancel:

- (1) For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
  - (2) For a reason other than nonpayment of premium, we will mail the notice at least 60 days prior to the effective date of cancellation.
- c. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
- (1) Nonpayment of premium;
  - (2) The Policy was obtained through a material misrepresentation;
  - (3) Any insured has violated any of the terms and conditions of the Policy;
  - (4) The risk originally accepted has measurably increased;
  - (5) Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

(6) A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this state.

- d. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
- e. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- f. If this Policy is cancelled, any unearned premium will be refunded. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

**B.** The following is added and supersedes any provision to the contrary:

#### **Nonrenewal**

If we decide not to renew or continue this Policy, we will mail you, the "contractor", and any involved government authority, written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ILLINOIS CHANGES – DEFENSE COSTS**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM  
 COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK COVERAGE PART

**A.** The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:

1. Section **I** of the Commercial General Liability, Commercial Liability Umbrella, Employment-related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts, Auto Dealers Coverage Form and the Farm Umbrella Liability Policy;
2. Section **II** under the Auto Dealers, Business Auto and Motor Carrier Coverage Forms;
3. Section **III** under the Auto Dealers and Motor Carrier Coverage Forms;
4. Section **A.** Coverage under the Legal Liability Coverage Form; and

**5.** Coverage **C** – Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.

Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.

**B.** If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

Named Insured Union Pacific Railroad Company			Endorsement Number
Policy Symbol GLW	Policy Number Not Applicable	Policy Period 08/01/2020 to 08/01/2021	Effective Date of Endorsement 08/01/2020
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:**

SPECIMEN



Named Insured Union Pacific Railroad Company			Endorsement Number
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:**

SPECIMEN

Named Insured <b>Union Pacific Railroad Company</b>			Endorsement Number
Policy Symbol <b>GLW</b>	Policy Number <b>Not Applicable</b>	Policy Period <b>08/01/2020 to 08/01/2021</b>	Effective Date of Endorsement <b>08/01/2020</b>
Issued By (Name of Insurance Company) <b>Westchester Fire Insurance Company</b>			

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:**

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

SPECIMEN

## U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

# THA - Toll Highway Authority

## Purchase Order

Release Order Number

19-416CMS-BOSS4-P-11024:23

Master Contract? Y

Master Con/Ref #: 9100000831

Contract/PO #:

VENDOR	Vendor Number: V00005036
	Mesirow Insurance Services, Inc.
	353 North Clark Street
	Floor 10
	Chicago, IL 60654
	libby.fischer@alliant.com (312) 595-6200

SHIP TO	Ship To - CA
	2700 Ogden Avenue
	Central Administration
	Downers Grove, IL 60515
	US
	Email: (630) 241-6800

**VENDOR INSTRUCTIONS:**

**PURCHASE ORDER REQUIREMENTS - STATE OF ILLINOIS AGENCIES**

Prior to commencement of billable work, delivery of supplies or rendering of any service on a Purchase Order:

- Initial Purchase Order/Contract - All parties, including the State and vendor, must fully execute the contract in its entirety.
- Release from an existing Purchase Order/Contract - The vendor must receive a Purchase Order signed by the State Agency and attached in BidBuy. Note, for any additional requirements see specific State Agency instruction.

**PURCHASE ORDERS REQUIREMENTS - OTHER PURCHASING ENTITIES**

-Please see specific requirements provided by the purchasing entity.

BILL TO	Contract Administrator
	PO Box 3094
	Lisle, IL 60532-8094
	US
	Email: ProInvoices@getipass.com
	(630) 241-6800

Shipping Method:	Freight Terms:
Shipping Terms:	Payment Terms: NA
Solicitation (Bid) No.: N/A	Delivery Calendar Day(s) A.R.O.: 1
Release Begin Date: 11/01/2020	Release End Date: 10/31/2026

Item # 1								
Class-Item 958-61								
Insurance Brokerage: include any fees, benefits, premiums from the Statement of Work or invoices for tracking purposes. User Agencies should attach for type of insurance, amount, etc.								
Quantity	Unit Price	UOM	Discount %	Total Discount	Tax Rate	Tax Amount	Freight	Total Cost
1.00	\$ 537,319.00	EA	0.00 %	\$ 0.00		\$ 0.00	\$ 0.00	\$ 537,319.00

TAX: \$ 0.00  
FREIGHT: \$ 0.00  
TOTAL: \$ 537,319.00

The undersigned agree to the Terms and Conditions as acknowledged by the Vendor and maintained in the State of Illinois' e-procurement system. This agreement consists of all terms as maintained in the state's e-procurement system inclusive of attached documents. The Vendor affirms that the Certifications and Financial Disclosures and Conflicts of Interest are true and accurate as of the date of the Vendor's execution of this Agreement. State documents will prevail in the event of a conflict between State and Vendor documents and information. The undersigned agree to the Terms and Conditions of this agreement:

OFFICIAL SIGNATURES:

Vendor Name: **Mesirow Insurance Services, Inc.**

Vendor Signature: 

Printed Name: John Harney

Title: Executive VP, Managing Director

Phone #: 312.595.7347

Email: john.harney@alliant.com

Date: 10/20/2020

State of Illinois Agency or Other Purchasing Entity Procuring State Agency or Entity: **Illinois State Toll Highway Authority**

Official Signature: 

Printed Name: José R. Alvarez

Title: Executive Director

Designee Signature: \_\_\_\_\_

Printed Name: Eric Occomy

Title: Chief of Contract Services

Date: 10/23/2020

Legal Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Fiscal Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FOR STATE OF ILLINOIS USE ONLY:

Acq. Type: \_\_\_\_\_ Source Sel. Method: \_\_\_\_\_

Using Agency Funding Source: \_\_\_\_\_

Detailed Expenditure Object Code: \_\_\_\_\_

Approp. Acct Code: \_\_\_\_\_

Award Code: \_\_\_\_\_

Original Proc. Method: \_\_\_\_\_

Subcontractors Disclosed: \_\_\_\_\_

Subcontractors Utilized: \_\_\_\_\_

Publication Date: \_\_\_\_\_ Financing Needed: \_\_\_\_\_

IPG Cert/Disclosure Yes \_\_\_\_\_ No \_\_\_\_\_

APPROVED

By: Desiree Liberti

Phone#: (630) 241-6800

**BUYER**

**Signature:**

  
ERIC Occomy (Oct 23, 2020 12:19 CDT)

**Email:** EOocomy@getipass.com