
Washington USL&H Assigned Risk Plan

Insurance for United States Longshore & Harbor Workers' Act

ENDORSEMENTS

Several **endorsements** may be available for policies issued through the Washington USL&H Assigned Risk Plan and descriptions of selected endorsements are provided below for general guidance. Note: Waiver of Subrogation and Alternate Employer endorsements are not optional and are required for all Human Resource Companies.

The underwriter at the Servicing Carrier must be contacted to determine eligibility, establish a cost estimate and verify current endorsement forms.

1. Maritime Employers' Liability (MEL)

- A. Eligible Employers may add the "Maritime Coverage Endorsement" for incidental exposure to their employees while working on board vessels.
- B. Maritime Coverage is only available with the following limits of liability:
 - 1. Bodily Injury by Accident: \$100,000 each accident.
 - 2. Bodily Injury by Disease: \$100,000 aggregate.
- C. Maritime Coverage includes coverage for Insured's duty or obligation to provide transportation, wages, maintenance and cure but does not cover punitive damages related to the duty or obligation to provide transportation, wages, maintenance and cure.
- D. Premium for Maritime Coverage is charged based on the rate per hundred dollars of payroll for the maritime code 7047 "Vessel Crew – NOC". Maritime Coverage is subject to a \$1,000 minimum premium.
- E. For purposes of Maritime Coverage eligibility "incidental exposure" is defined as total policy payrolls subject to Maritime Coverage being less than total policy payrolls subject to USL&H classifications. Such incidental exposure must be directly connected to the Insured's USL&H activities covered by the WARP policy. Where there is a "dual coverage" scenario, payrolls are assigned only to the applicable code with the highest rate.

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2. Waiver of Right to Recover From Others (Waiver of Subrogation)

- A. Insureds may add a “Waiver of Our Right to Recover From Others Endorsement” to their policy subject to the following conditions:
1. This endorsement applies only to the extent that the Insured performs work under a written contract that requires the Insured to obtain this endorsement, and
 2. The specific person or organization for which the work is performed under written contract must be named on the endorsement, and
 3. Work performed for such named person or organization that is covered by this endorsement must be specifically described in the endorsement, and
 4. An additional premium charge of 10% is applied to the premium otherwise charged for the work described in this endorsement subject to a \$250 minimum premium per policy for this endorsement.
- B. Work covered by this endorsement must be specifically described on the endorsement in one of the following ways:
1. “All work performed under written contract for (insert name of specific person or organization) if a waiver of subrogation is required by the contract and the contract is signed and dated prior to the date of loss to which the waiver applies.”
 2. “For work performed under written contract (insert contract # or other specific reference to contract) for (insert name of specific person or organization) if a waiver of subrogation is required by the contract and the contract is signed and dated prior to the date of loss to which the waiver applies.”
 3. “For work on (name of project or name of vessel or other specific description of work) that is performed under written contract for (insert name of specific person or organization) if a waiver of subrogation is required by the contract and the contract is signed and dated prior to the date of loss to which the waiver applies.”

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3. Alternate Employer

- A. Insureds may add an “Alternate Employer Endorsement” to their policy when it is specifically required by written contract and the contract is signed and dated prior to the date of any loss covered by this endorsement.
- B. This endorsement requires the alternate employer (Alternate Employer) to be specifically named in the endorsement along with a description of the contract and subject work; the endorsement may not be issued on a “blanket” basis.
- C. This endorsement may only be issued in conjunction with a Waiver of Subrogation Endorsement issued in favor of the same person or organization that is named as the Alternate Employer and covering the same work.
- D. The Alternate Employer named on this endorsement must be a Washington employer as evidenced by a Uniform Business Identification (UBI) number assigned by the state of Washington to the Alternate Employer.
- E. What Is an Alternate Employer Endorsement?

An Alternate Employer endorsement extends your existing workers compensation coverage to another company, or companies, with whom you may do business. An Alternate Employer endorsement lists other company/companies to be included in your policy's coverage within the policy's endorsement schedule.

The Alternate Employer endorsement is often used when businesses use contracted employees, or add employees from temporary employment/ HR / PEO type companies.

Your company remains the worker's primary employer, with coverage under the Alternate Employer's endorsement that applies only to work performed by the temporary workers under that contract or for the duration of that project for which the Alternate Employer Endorsement is obtained.

The Alternate Employer endorsement covers injuries sustained by employees during their temporary or special employment by the alternate employer listed in the endorsement schedule. The schedule must indicate the state in which the temp workers are employed.

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You will see when you read the sample Endorsement (below), that in paragraph 3, it specifies that the alternate employer may still have an obligation to provide their employees workers' compensation coverage – this is especially true if your client is a contractor. Be aware that your policy is not intended to provide coverage to uninsured subcontractors or employees just because they are included on the payroll of your client. This protection is an important reason why you should insist that your carrier schedule each and every client onto the policy with this endorsement. It will protect you from an unforeseen claim that could be filed by a casual laborer who has been hired by an uninsured subcontractor of one of your clients.

When an Alternate Employer is added to a policy's endorsement schedule, the Alternate Employer is often required to assist in any claims investigations. This typically means reporting any injuries a temp employee may suffer or ensuring the employee is given proper medical treatment following an injury. The Alternate employer must also provide to the policyholder any documentation related to the injury. However, if the policy is canceled for any reason, the insurance company is not obligated to tell the Alternate Employer, because you remain the primary party on the policy.

Example of an Alternate Employer Endorsement

You own a temporary staffing agency. A ship repair company that your company occasionally provides with staff is behind schedule on repairing a hull; they ask if can provide them a trained welder from your company, for a week. You agree. To protect themselves from work comp claims, they ask you to provide an Alternate Employer endorsement under your policy.

Two days into the job, the welder you sent them suffers a flash burn. The ship repair company fully complies with the claims investigation and submits all required incident reports and documents on time. The employee will be covered under your workers' compensation policy, and thus cannot make a claim against the ship repair company's insurance policy.

MARITIME COVERAGE ENDORSEMENT

This endorsement changes how insurance provided by Part Two (Employers Liability Insurance) applies to bodily injury to a master or member of the crew of any vessel.

A. **How This Insurance Applies** is replaced by the following:

A. **How This Insurance Applies**

This insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to work described in Item 1 of the Schedule of the Maritime Coverage Endorsement.
3. The bodily injury must occur in the territorial limits of, or in the operation of a vessel sailing directly between the ports of, the continental United States of America, Alaska, Hawaii or Canada.
4. Bodily injury by accident must occur during the policy period.
5. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
6. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

C. **Exclusions** is changed by removing exclusion 10 and by adding exclusions 13 and 14.

This insurance does not cover:

13. bodily injury covered by a Protection and indemnity Policy or similar policy issued to you or for your benefit. This exclusion applies even if the other policy does not apply because of an other insurance clause,

deductible or limitation of liability clause, or any similar clause.

14. Your duty or obligation to provide transportation, wages, maintenance, and cure. This exclusion does not apply if a premium entry is shown in Item 2 of the Schedule, except that punitive damages related to your duty or obligation to provide transportation, wages, maintenance, and cure under any applicable maritime law are excluded even if a premium is paid for transportation, wages, maintenance, and cure coverage.

D. **We Will Defend** is changed by adding the following statement:

We will treat a suit or other action in rem against a vessel owned or chartered by you as a suit against you.

G. **Limits of Liability**

Our liability to pay for damages is limited. Our limits of liability are shown in the Schedule. They apply as explained below.

1. Bodily Injury by Accident. The limit shown for "bodily injury by accident—each accident" is the most we will pay for all damages covered by this insurance because of bodily injury to one or more employees in any one accident.

A disease is not bodily injury by accident unless it results directly from bodily injury by accident.

2. Bodily Injury by Disease. The limit shown for "bodily injury by disease—aggregate" is the most we will pay for all damages covered by this insurance because of bodily injury by disease to one or more employees. The limit applies separately to bodily injury by disease arising out of work in each state shown in Item 3.A. of the Information Page. Bodily injury by disease will be deemed to occur in the state of the vessel's home port.

Bodily injury by disease does not include disease that results directly from a bodily injury by accident.

3. We will not pay any claims for damages after we have paid the applicable limit of our liability injury by accident under this insurance.

SCHEDULE

1. Description of work:

2. Transportation, Wages, Maintenance and Cure Premium \$

Exclusion: This insurance does not cover punitive damage related to your duty or obligation to provide transportation, wages, maintenance, and cure under any applicable maritime law even if a premium is paid for transportation, wages, maintenance, and cure coverage.

3. Limits of Liability

Bodily Injury by Accident each accident

Bodily Injury by Disease aggregate

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No.

Countersigned By _____

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule

The premium charge is 10% of the premium developed in conjunction with work done for the above entity(s) subject to \$250 minimum premium.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured
Insurance Company

Policy No.
Insurance Company

Endorsement No.
Policy Effective Date

Countersigned By _____

ALTERNATE EMPLOYER ENDORSEMENT

This endorsement applies only with respect to bodily injury to your employees while in the course of special or temporary employment by the alternate employer in the state named in Item 2 of the Schedule. Part One (Workers Compensation Insurance) and Part Two (Employers Liability Insurance) will apply as though the alternate employer is insured. If an entry is shown in Item 3 of the Schedule the insurance afforded by this endorsement applies only to work you perform under the contract or at the project named in the Schedule.

Under Part One (Workers Compensation Insurance) we will reimburse the alternate employer for the benefits required by the workers compensation law if we are not permitted to pay the benefits directly to the persons entitled to them.

The insurance afforded by this endorsement is not intended to satisfy the alternate employer's duty to secure its obligations under the workers compensation law. We will not file evidence of this insurance on behalf of the alternate employer with any government agency.

We will not ask any other insurer of the alternate employer to share with us a loss covered by this endorsement.

Premium will be charged for your employees while in the course of special or temporary employment by the alternate employer.

The policy may be canceled according to its terms without sending notice to the alternate employer.

Part Four (Your Duties If Injury Occurs) applies to you and the alternate employer. The alternate employer will recognize our right to defend under Parts One and Two and our right to inspect under Part Six.

Schedule

- 1. **Alternate Employer** **Address**
- 2. **State of Special or Temporary Employment**
- 3. **Contract or Project**

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Insured

Policy No.

Endorsement No. Premium

Insurance Company

Countersigned by _____