This manual applies to policies written through the Michigan Workers’ Compensation Placement Facility (“Facility”). This manual includes some material from the National Council on Compensation Insurance, used with its permission. However, the majority of material contained in this manual is the original product of the Facility.
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PART ONE – RULES

Rule One - General

A. Workers Compensation
Workers Compensation as used in this Manual means workers' compensation and occupational disease law of Michigan.

B. Standard Policy

C. Endorsement Forms
Endorsement forms mean standard and advisory endorsements contained in Part Four of this Manual. Part Four – Policy and Endorsement Forms contains complete descriptions of coverage’s and instructions on the use of policy and endorsement forms. Endorsements must be used as directed there.

D. Application of Manual Rules
Rules apply separately to each policy, except as allowed by Rule Seven – Premium Discount, certain instances as directed in the Retrospective Rating Plan, and certain exceptions concerning Executive Office Maximum Remuneration charges as indicated later in this Manual.

E. Effective Date
1. Manual
   a. This manual is effective at 12:01 a.m. June 1, 1997

2. Changes
   Manual pages indicate an issue date in the footer section of the page. Specific changes or the effective date of changes on a page can be found in the “Summary of Changes” section, which is the last section of this manual. The effective date of a change or rate is 12:01 a.m. on the specified effective date. Unless otherwise specified, each change applies to a specific policy only from the policy effective date that occurs on or after the effective date of the change.

F. Rewritten Policies
1. A policy being rewritten through the Facility shall be subject to all rules, classifications and rates effective in the Facility applicable as of the policy effective date.

G. Experience Modification Promulgation
1. Servicing Carrier
   All members of the Facility shall furnish their risk experience data as directed by the Facility. The Facility shall calculate the experience modification for each qualifying risk in accordance with the approved Experience Rating Plan. The experience modification so promulgated shall be used in writing any Workers’ Compensation and Employers' Liability policy for the risk concerned. The rating data shall be promulgated by the Facility to the servicing carriers. Definite quotation of an experience modification shall not be made to any employer, nor shall any policy be issued an experience modification unless such experience modification has been
published as applicable to the term to be covered by the policy. However, a renewal policy shall be issued with the prior years’ experience modification if the renewal modification has not been promulgated prior to the renewal date. The policy shall contain the statement "premium (alternative: experience modification) to be determined". Use the Standard Experience Rating Modification Factor Endorsement (WC 00 04 03).

2. Other than Servicing Carrier
   Copies of experience modification and rating data will be furnished to representatives of the insured.

3. Renewals
   As far as possible, the renewal experience modification shall be calculated and released by the Facility at least sixty days before the effective date of the experience modification.

H. Filing Requirements
   For each policy issued carriers shall provide CAOM with an electronic version of Policy Information Pages for new and renewal policies, change endorsements, cancellations and reinstatements. Such data is due at CAOM within 30 days of their issuance to the insured. In addition, carriers shall file individual risk experience data with CAOM according to the instructions set forth in this Plan.

I. Incorrect Underwriting
   In the event a policy is improperly written, the servicing carrier shall be required to correct the policy and file a copy of such correction with the Facility within thirty days of notification.

   In the event that any violation is not corrected within sixty days after the servicing carrier has been instructed to make such correction, the Chief Executive Officer shall refer the issue to the Board of Governors of the Facility for appropriate action under the provision of the Plan of Operations of the Facility.

   Complaints of improper practices shall be fully investigated by the Chief Executive Officer. Should he find that the complaint is well founded, he shall order correction and shall advise all interested parties.

J. Appeals
   1. Appeals to the Appeals Committee
      Any party of interest aggrieved by a decision of the Facility staff shall have the right of appeal to the Appeals Committee of the Facility. An appeal to the Appeals Committee is considered to be an appeal to the Board of Governors of the Facility.
      Such appeals must be sent to the Facility and must meet the following requirement:
      a. It must be in writing.
      b. It must set forth in detail the nature of the complaint and the reasons for believing the Facility’s decision to be in error.
      c. If presented by the servicing carrier, it must be signed by a party previously designated by the carrier to be authorized to make such appeal.
      d. It must be received in the Facility at least fifteen days prior to the date of the meeting in which it was requested to be heard. If received too late, it will be held by the Facility and presented at the next meeting of the Appeals Committee.
2. Further Appeals
   A request may be made for appeal to the Insurance Commissioner within thirty days of the
   written decision of the Appeals Committee in a manner prescribed by law.

K. Data Privacy
   In performing its obligations and duties under this Manual, each party, to the extent applicable, may
   handle general personally identifiable financial and/or health information of insureds; or claimants
   (hereinafter collectively “Protected Information”) which may be subject to federal, state and local
   privacy laws and regulations. It is acknowledged and agreed that a) each party shall be solely responsible
   for maintaining the security of such Protected Information in its possession in order to comply with this
   privacy requirement and all applicable federal, state and local laws or regulations governing the privacy
   and use of such information; and b) each party shall immediately notify the other party of any violations
   of any such laws or regulations that involves your Data that arises out of each party’s respective
   obligations under this Manual or any complaint or judicial or administrative proceeding initiated
   concerning any actual or alleged violation of such law or regulation. The terms of this Section shall
   survive the termination of this Manual.
Rule Two – Explanation of Coverage’s and Methods of Insuring

A. Part One – Workers Compensation Insurance

Workers’ Compensation Insurance provides coverage for the statutory obligation of an employer to provide benefits for employees as required by:

   a. Workers’ compensation law or occupational disease law of any state or territory of the United States, including the District of Columbia

State workers compensation insurance is provided by the Standard Policy.

U. S. Longshore and Harbor Workers’ Compensation Act insurance may be provided only by adding the Longshore and Harbor Workers’ Compensation Act Coverage Endorsement to the Standard Policy. (WC 00 01 06 A). Refer to Rule Eleven.

B. Part Two – Employers’ Liability Insurance

Employers’ Liability Insurance provides coverage for the legal obligation of an employer to pay damages because of bodily injury by accident or disease, including resulting death, sustained by an employee. Employers’ liability coverage applies only if the injury or death of an employee arises out of and in the course of employment and is sustained

   a. In the United States of America, its territories or possessions, or Canada, or
   b. While temporarily outside the United States of America, its territories or possessions, or Canada, if the injured employee is a citizen or resident of the United States or Canada; but suits for damages and actions on judgments must be in or from a court of the United States, its territories or possessions or Canada.

Employers’ Liability Insurance written with Workers’ Compensation Insurance is provided by the Standard Policy.

Employers’ Liability Insurance for diseases not covered by a workers’ compensation law or an occupational disease law is provided by the Standard Policy.

Unless specifically added by endorsement, coverage for the liability of an employer under admiralty law or the Federal Employers’ Liability Act is not provided by Part Two – Employers’ Liability Insurance. To provide such coverage attach the Maritime Coverage Endorsement (WC 00 02 01 B) or the Federal Employers’ Liability Act Coverage Endorsement (WC 00 01 04) to the Standard Policy. The Voluntary Compensation Maritime Coverage Endorsement (WC 00 02 03) may also need to be attached to the Standard Policy. Refer to Rule Twelve for more information.

C. Part Three – Other States Insurance

Limited Other States Insurance coverage is intended as coverage for an employer, of a state listed on the policy (in Item 3.A.), while employees are temporarily in an “other” state and where the employer’s operations in said state are not such that separate coverage is required by that state’s laws. The Residual Market Limited Other States Insurance Endorsement (WC 00 03 26A) provides neither automatic coverage for an employer’s operations in an “other” state nor the promise to add coverage. This coverage is designed solely for the unknown and unanticipated exposure in states or territories.
other than those designated in 3.A. of the policy and not otherwise specifically excluded. If the insured has or develops exposures in any state not specified 3.A. of the policy, separate applications to those states will be necessary.

A. Explanation of Terms

1. Employer
   Employer may be an individual, partnership, joint venture, corporation, Limited Liability Company, association, other legal entity or a fiduciary such as a trustee, receiver or executor. When a PEO (Professional Employer Organization) has coverage in the residual market pool, the issuer of the W-2 is considered the employer and the responsible party for payment of the workers’ compensation premium.

2. Insured
   Insured means the employer designated in Item 1 of the Information Page.

3. Majority Interest
   Majority Interest as defined in the Experience Rating Plan applies in this manual. This phrase usually means:
   a. Majority of voting stock
   b. Majority of members or directors if there is no voting stock
   c. Majority participation of general partners in profits of a partnership.

4. Risk
   a. Risk as used in this Manual shall mean and include:
   b. All of the operations of one employer in Michigan.
   c. Two or more legal entities engaged in a construction, erection or demolition project which has been designated as a “wrap-up” project by the Workers’ Compensation Agency.

B. Name and Address of the Insured

1. Combination of Legal Entities
   Separate legal entities may be insured on one policy only if the same person, or persons, owns the majority interest in such entities. Classifications shall be applied separately to each legal entity.

2. Locations
   All locations and operations of the employer in Michigan shall be insured in one policy.

C. Policy Period

The normal policy period is one year. A policy may be issued for a shorter term than one year for such reasons as coinciding with the experience rating date, seasonal operations and common expiration dates. However, a policy issued as a result of a new application to the Facility may not be issued for a period of time less than three months. The full minimum premiums and full expense constants shall be charged for short-term policies on issuance. These amounts will be prorated upon audit in the event the short-term policy was issued solely to establish concurrency with other policies of insurance or to coincide with the experience rating date.

A one-year policy may be extended by a maximum of sixteen days. Such a policy is treated as a one-year policy. A policy may not be issued for a longer period of time than one year and sixteen days.
D. State Laws Designated in the Policy

1. Listing of State
   Insurance for operations conducted in a state is provided by listing the state in Item 3.A. of the Information Page. In the residual market, only Michigan may appear in Item 3.A.

2. Longshore Act
   The U.S. Longshore and Harbor Workers’ Compensation Act shall not be entered in Item 3.A. of the Information Page. This coverage is provided by the appropriate endorsement. See Rule Eleven.

3. Additional States
   Coverage in additional states is not available in the residual market except as provided by endorsement WC 00 03 26 A.
Rule Four – Classifications

A. General Explanation

The object of the classification system is to classify operations so that the rate for each classification reflects the exposures common to those operations.

Each distinct type of operation shall be assigned to the classification which specifically describes such operation provided separate payroll records are maintained for each operation.

Any such operation for which separate payroll records are not maintained shall be assigned to the highest rated classification which is identifiable within the employer’s operations.

B. Explanation of Classifications

1. Basic Classifications

All classifications in the Manual, other than the Special Classifications, are basic classifications which describe the operations of an employer.

Classifications are listed alphabetically in Part Two of this Manual. Notes following a classification are part of that classification and control its use.

2. Special Classifications Defined

Some occupations are common to so many employers that special classifications have been established for them. Employees within the definition of the Special Classifications are not included in a basic classification.

Special Classifications are enumerated and defined as:

a. Clerical Office Employees – employees engaged exclusively in bookkeeping, in record keeping, in correspondence, in computer composition, in technical drafting or in other office work in clerical offices where books and other records are kept or correspondence, or drafting is conducted.

This classification applies only to employees who work in areas physically separated from other operations by floors or by floor-to-ceiling walls.

A clerical office excludes work or service areas, areas where inventory is located, products are displayed for sale or to which the purchaser customarily brings the product from another area for payment.

Employees with exposure to otherwise classified operations of the employer shall be assigned to classification(s) in accordance with Rule Four E.1. “Interchange of Labor.”

b. Drivers and/or chauffeurs – over-the-road operators of automobiles, bicycles, buses, horse-drawn conveyances, trucks or other vehicles in connection with pick-up or delivery of merchandise, products or people. This definition applies to all of the “Driver” classifications.

Employees with exposure to otherwise classified operations of the employer shall be assigned to classifications in accordance with Rule Four E.1. “Interchange of Labor”.

c. Salespersons, Collectors orMessengers – Outside –employees engaged in such duties away from the employer’s premises. Employees who deliver merchandise in connection with outside sales, collections or operations as messengers shall be assigned to the appropriate code representing Drivers and/or Chauffeurs.

Employees with exposure to otherwise classified operations of the employer shall be assigned to classifications in accordance with Rule Four E.12. “Interchange of Labor”.

NOTE: Automobile Salespersons – Code 8748 – are employees engaged in such duties on and away from the employer’s premises. Such employees are subject to treatment as Salespersons, Collectors or Messengers – Outside – for purposes of this rule, but are assigned to Code 8748.

C. Classification Wording
1. Captions
   Captions which precede related classifications are a part of the classification wording.
   EXAMPLE:
   Store: Hardware, and Store: Fruit and Vegetable – Retail. “Store” is the caption.

2. Notes
   Notes following a classification are part of that classification and control its use.
   EXAMPLE:
   Store: Fruit and Vegetable – Retail No handling of fresh meats. “No handling of fresh meats” is the note.

3. Words and Phrases
   a. No or Not: A classification which includes a restrictive phrase beginning with “no” or “not” shall not apply to any operation described in the restrictive phrase.
   EXCEPTIONS:
   1) For mercantile operations such as, dealers, stores or mining operations, this rule applies to each location.
   2) For construction operations, this rule applies to each job or location.

   EXAMPLE: Code 8106 – Steel Merchant- not applicable to junk dealers. This classification shall not be assigned to a steel merchant which deals in junk. That operation shall be assigned to Code 8264 – Junk Dealers.
   b. NOC means not otherwise classified. A classification designated “NOC” shall apply only if no other classification more specifically describes the insured operation(s).
   c. Or: “or” also means “and”.
   EXAMPLE: Code 2586 – Cleaning or dyeing. Cleaning or dyeing also means cleaning and dyeing.

D. Assignment of Classifications
1. Object of Classification Procedure
   The object of the classification procedure is to assign the basic classification(s) which best describes the operation(s) of the employer within Michigan.
2. Classification of Separate Legal Entities
   Each separate legal entity insured under a policy shall be assigned to the basic classification(s)
   which describes its operation within Michigan. This procedure applies even if the operation(s)
   are conducted at more than one location.

3. Business Not Described by a Basic Classification
   If there is no classification which describes the operation(s), the classification which most closely
   describes the operation(s) shall be assigned. Refer to Rule Four F.2.

4. Assignment of Multiple Basic Classifications
   Additional basic classifications shall be assigned if separate payroll records are maintained for
   each separate operation and such operation constitutes a separate and distinct operation of the
   insured and a classification exists which specifically applies to the separate operation.

   If the employer fails to maintain payroll records for separate operations which do exist and for
   which a specific classification exists, all of the employer’s payroll will be assigned to the
   classification with the highest rate of any of the classifications which should apply to the
   operations.

5. Special Classifications
   Special Classifications are not available for division of payroll with other classifications.
   Employees with exposure to occupations which are Special Classifications and to operations
   which are otherwise classified shall have their payroll assigned to the classification carrying the
   highest rate, unless the employer qualifies for more than one basic classification. In such event,
   the payroll of these employees should be assigned to the classification having the highest
   payroll.

6. Operation(s) Described by a Special Classification
   If the principal operation(s) is described by a Special Classification, the operations not included
   in the definition of the Special Classification shall be assigned to the separate basic classification
   which most closely describes their operation(s).
   EXAMPLE: The insured is a bank.
   Employees       Classification
   Clerical Office  8810
   Maintenance      9015
   Cafeteria        9058

7. Construction or Erection Operations
   Each distinct type of construction or erection operation at a job or location shall be assigned to
   the classification which specifically describes such operation provided separate payroll records
   are maintained for each operation unless the classification indicates that “all operations” are
   included in one classification. In such a case, all of the operations conducted at the job or
   location are assigned to that classification.
Any operation for which separate payroll records are not maintained shall be assigned to the highest rated classification which applies to the job or location where the operation is performed.

a. Insured Subcontractors

An insured subcontractor who performs a single type of work on a construction project or job shall be classified on the basis of the classification describing the particular type of work involved.

EXCEPTION:

All operations in conjunction with concrete construction including making and erecting forms, placing reinforcing steel and stripping forms, when done by subcontractors or employees, shall be assigned to the appropriate concrete construction classification.

b. Uninsured Subcontractors

Uninsured subcontractors, covered under the principal contractor’s policy, are classified on the basis of the classifications that would apply if the work were performed by the principal's own employee.

8. Mercantile Operations

For mercantile operations such as stores or dealers, the classification is determined separately for each location.

9. Farm Operations

For assignment of classifications for farm operations, refer to Rule Nine G.

10. Employee Leasing, Labor Contractors and Temporary Labor Services

Classify workers assigned to clients under the classifications which would apply to the clients’ direct employees with coverage in the residual market pool.

EXCEPTION:

For Labor Contractors and Temporary Labor Services (but not Employee Leasing risks) Code 8059 may be used for employees furnished to do packaging operations only. If any other work such as assembly, trimming, inspection, etc. is done by these employees, Code 8059 may not be used and the code applicable to the operations shall be used.

In order to determine accurate and appropriate premium, an employee leasing company or temporary labor service may not be a client of another employee leasing company or temporary labor service.

11. Repair Operations
Risks having shop operations that involve the repair of a product for which there is no repair classification are to be assigned to the classification that applies to the manufacture of the product unless such repair work is specifically referred to by another classification phraseology, footnote or definition in the manual.

E. Payroll Assignment – Multiple Basic Classifications

1. Interchange of Labor

If an insured has two or more classifications other than the Special Classifications and there is an interchange of labor as respects single employees, the payroll of an individual employee may be divided and allocated to more than one such classification provided

a. The entries on the original records of the insured disclose an allocation of each such individual employee’s payroll.

b. Allocation must be based upon payroll actually incurred in each operation. An estimated or percentage allocation is not permitted.

c. Note that Special Classifications are not available for division of a single employee’s payroll with other classifications. However, the payroll of an employee who may spend part of the time in duties which fall under the Special Classifications and part of the time in other duties which are subject to other classifications may be split between the applicable basic classifications.

Employee does clerical office work part of the day and works in the employer’s store operation the balance of the day.

The employee’s entire payroll is assigned to the store classification.

Employee does clerical office work part of the day, works in the employers’ counseling operation on-site part of the time and does counseling work at the client’s home part of the time.

The employee’s payroll may be split between Codes 8832 and 8835. While Code 8810 may not be used to split the employee’s payroll, the two basic classifications may be used. The payroll for the time spent in clerical office is included in the classification with the highest payroll.

If the employer fails to maintain complete records as provided by this rule, the entire remuneration of the employee shall be assigned to the highest rated classification representing any part of the employee’s work.

Policies with more than one basic classification may involve miscellaneous employees. Miscellaneous employees are not subject to the foregoing treatment.

2. Miscellaneous Employees

Miscellaneous employees are those employees who engage in employments or operations within the employer’s business for which no classifications have been established. They shall be
assigned to the classification (other than the Special Classifications) which represents the largest amount of payroll of the classifications to which they are exposed.

Some examples of miscellaneous employees are general superintendents, material handlers and shipping or receiving clerks.

F. How to Show Classifications on the Information Page

1. Operation Described by a Basic or Special Classification
   For an operation(s) described by a basic classification, show the classification wording, with or without notes, show any caption which precedes several related classifications and show the code number. Abbreviated wordings may be used providing that the abbreviated wording clearly identifies the classification.

2. Operations not Described by Any Basic or Special Classification
   For an operation not assigned as an additional basic classification, show wording which describes the operation. With this wording, show the code number of the classification which most closely describes the operation. Such an assignment is controlled by all of the rules applicable to the assigned classification.

An employer operates a landfill. There is no basic manual classification for landfill operations. The classification which most closely describes a landfill operation is Code 6217 – Excavating or Grading of Land. Therefore, the information page will show:

Landfill Operations       Code 6217
Rule Five – Premium Basis

A. Basis of Premium – Total Remuneration

Premium shall be computed on the basis of the total remuneration paid or payable by the insured for services of individuals who could receive workers’ compensation benefits for work-related injuries as provided for by the policy.

EXCEPTION:

Some classifications have a different premium basis. For example, premium for domestic worker classifications is computed on a per capita basis. Refer to Rule Thirteen.

B. Remuneration – Payroll

1. DEFINITION

Remuneration means money or substitutes for money. Payroll means remuneration.

2. INCLUSIONS

Remuneration includes:

a. Wages or salaries including retroactive wages or salaries;

b. Total payments received by employees for commissions and draws against commissions;

c. Bonuses including stock bonus plans;

d. Extra pay for overtime work, except as provided in Rule Five – E;

e. Pay for holidays, vacations or periods of sickness;

f. Payment by an employer of amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as the Federal Social Security Act;

g. Payment to employees on any basis other than time worked, such as piecework, profit sharing or incentive plans;

h. Payment or allowance for hand tools or power tools used by hand provided by employees either directly or through a third party and used in their work or operations for the insured, except as provided under the Logging classification;

i. The rental value of an apartment or a house provided for an employee based on comparable accommodations;

j. The value of lodging, other than an apartment or house, received by employees as part of their pay, to the extent shown in the insured’s records;

k. The value of meals received by employees as part of their pay to the extent shown in the insured’s records;

l. The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay (refer to Exclusions below for certain fringe benefits [substitutes for money] not considered to be remuneration);

m. Payments for salary reduction, retirement or cafeteria plans (IRS 125) that are made through deductions from employee’s gross pay;

n. Davis-Bacon wages paid to employees;

o. Annuity plans;

p. Expense reimbursements to employees to the extent that an employer’s records do not substantiate that the expense was incurred as a valid business expense;
q. Payment for filming of commercials excluding subsequent residuals that are earned by the commercial’s participant(s) each time the commercial appears in print or is broadcast.

3. EXCLUSIONS

Remunerations excludes:

a. Tips and other gratuities received by employees;
b. Payments by an employer to group insurance or group pension plans for employees, other than payments covered by Rule Five – B-2.f. and m.;
c. The value of special rewards for individual invention or discovery;
d. Dismissal or severance payments, except for time worked or accrued vacation;
e. Payments for active military duty;
f. Employee discounts on goods purchased from the employee’s employer;
g. Expense reimbursements to employees to the extent that an employer’s records substantiate that the expense was incurred as a valid business expense;

NOTE: Reimbursed expenses and flat expense allowances, except for hand or power tools, excluded from the audit, provided that all three of the following conditions are met:

Paid to employees may be,

1) The reimbursement expenses or expenses for which allowances were paid were incurred upon the business of the employer, and
2) The amount of each employee’s expense payments or allowances is shown separately in the records of the employer, and
3) The amount of each expense reimbursement or allowance payment approximates the actual expenses incurred by the employee in the conduct of his or her work.

h. Supper money for late work;
i. Work uniform allowances;
j. Sick pay paid to an employee by a third party such as an insured’s group insurance carrier that is paying disability income benefits to a disabled employee;
k. Employer-provided perquisites (perks) such as:
   Use of an automobile
      1) An airplane flight;
      2) An incentive vacation (i.e. contest winner);
      3) A discount on property or services;
      4) Club memberships;
      5) Tickets to entertainment events.

l. Payments made by an employer or any public governmental entity to paid furloughed employees as a result of a federal, state, or local governmental emergency order. This rule is effective 3-10-20 for new and outstanding policies.

C. Estimated Payroll

1. Estimated Payrolls by Classification

For each classification shown on the Information Page, the estimated total annual payroll shall be stated in the column headed “Premium Basis – Total Estimated Annual Remuneration”.

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2. **Determination of Estimated Payrolls**

Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by the carrier or by the Facility through evaluation of records or inspections.

**D. Whole Dollars – Payroll**

All payrolls shall be shown to the nearest dollar. A remainder of $0.50 shall be rounded to the next higher dollar.

**E. Overtime**

1. **Definition**

   Overtime means those hours worked for which there is an increase in the rate of pay:
   a. For work in any day or in any week in excess of the number of hours normally worked
   b. For hours worked in excess of 8 hours in any day or 40 hours in any week
   c. For work on Saturdays, Sundays or holidays.

   **NOTE:** Forms in incentive pay commonly referred to as “shift differential” or “premium pay” associated with working other than normal day shift hours during the standard workweek are not to be considered as overtime.

   In the case of guaranteed wage agreements, overtime means only those hours worked in excess of the number specified in such agreement.

2. **Exclusion of Overtime Payroll**

   a. **Payroll Records**

      The extra pay for overtime shall be excluded from the payroll on which premium is computed in (1) or (2) below, provided the insured’s books and records are maintained to show overtime pay separately by employee and in summary by classification.

      1) If the records show separately the extra pay earned for overtime, the entire extra pay shall be excluded.

      **EXAMPLE:**

      An employer’s records show employee x worked 45 hours at $8.00 per hour, with time and one-half for overtime, in this manner:

      \[
      \begin{align*}
      45 \text{ hours} @ 8.00 &= 360.00 \\
      \text{Total pay} &= 380.00
      \end{align*}
      \]

      20.00 is excluded

      2) If the records show the total pay earned for overtime (regular pay plus overtime pay) in one combined amount, and time and one-half is paid for overtime, one-third of this total pay shall be excluded. If double time is paid for overtime, and the total pay for such overtime is recorded separately, one-half of the total pay for double time shall be excluded.

      **EXAMPLE:**
An employer’s records show employee x worked 45 hours at $8.00 per hour, with time and one-half for overtime, in this manner:

\[
\begin{align*}
40 \text{ hours} \times 8.00 &= 320.00 \\
5 \text{ hours} \times 12.00 &= 60.00 \\
\text{Total pay} &= 380.00 \\
\end{align*}
\]

$20.00 is excluded (1/3 of $60.00)

**EXCEPTION:**
Exclusions of overtime pay does not apply to payroll assigned to any classification under the caption “stevedoring” with a code number followed by the letter F.

b. **Hours Worked**
Except as otherwise provided herein, it is the intent of this rule that overtime remuneration shall be deductible only if the number of hours actually worked in the day or week exceeds the number of hours normal and usual to the particular risk or industry; however, regardless of the normal workday or worksheet, overtime remuneration shall be deductible for the number of hours actually worked in excess of 8 hours per day or 40 hours per week. Only that portion of the overtime remuneration that is in excess of the wages which would have applied if such overtime were compensated at the regular rate of pay shall be deductible.

Some businesses may have overtime wage agreements with employees under which the employee receives an hourly rate of pay for hours worked in excess of 40 hours per week, which is less than the hourly rate of pay for hours worked up to 40 hours per week. As there is no portion of this overtime rate that exceeds the regular hourly rate of pay, no deduction is permitted for any portion of these overtime wages.

c. **Guaranteed Wages**
In some industries guaranteed wage contracts or agreements exist under which the employee receives a guaranteed wage for work up to a specified number of hours per week, such as 50. The guaranteed wage, for example, is computed on the basis of 40 hours at straight time and 10 hours at 1 1/2 times the basic hourly wage. Under guaranteed wage plans of this general type, the employee works up to the maximum number of hours covered by the guaranteed wage, regardless of how such wage is computed. The overtime rule is applicable in the case of guaranteed wages only to earnings in excess of the guaranteed wage.

d. **Premium Pay**
It is also the intent of this rule that the basis of premium shall include all premium pay. Premium pay involves higher rates of pay generally because of night work, weekend work, or work under special conditions or at unusual hours and is the normal basic rate of remuneration for such work. There is no element of deductible overtime remuneration in premium pay since such higher rate of pay is the regular pay, rather than overtime pay. However, in situations of this nature, when the employee has
worked in excess of 8 hours per day or 40 hours per week, the overtime rule is applicable.

EXCEPTION:
Hourly rate of pay for work on Saturdays, Sundays or holidays, even though the employee has not worked the normal workweek, because work on such days has been regarded traditionally as overtime and not as part of the normal workweek.

EXAMPLES OF RULE E.2.
The following examples have been developed to indicate how the foregoing principles shall be applied in specific circumstances and to illustrate the proper application of this rule in accordance with its basic intent.

1) The hourly rate of pay for a night-shift worker is $15 while the hourly rate for the day shift is $10.
The increase over the daytime rate of pay is premium pay. It should not be considered overtime or excluded.

2) A “swing shift” worker is paid at a premium rate for hours worked during odd hours although the total hours worked is within normal limits. Is there any deductible overtime?
There is no deductible overtime since premium pay is not overtime pay.

3) A night-shift worker works longer hours than usual and consequently receives an increase in rate of pay above the regular night-shift rate for extra hours.
Provided such increase is paid at the traditional overtime rate of pay, the increased rate of pay over the regular night-shift rate for the extra hours is deductible.

4) For the first 4 hours of overtime, the rate is time and one-half; thereafter, it is double time. If an employee continues to work after 12 hours total time, he or she is paid for an extra half hour as “supper money”.
The extra remuneration earned for overtime, including the supper money, is deductible. While the supper money is not deductible overtime, it is excludable payroll.

5) Work on Saturdays, Sundays and holidays is paid at increased rates of pay. The total hours worked in the week are (a) more than the normal workweek; (b) less than the normal workweek?
In each case, provided the employee was paid at the traditional overtime rate of pay, the increased rate of pay is treated as overtime. If the employee was paid only a “shift differential”, the entire remuneration shall be audited as payroll.

6) An employee works during his or her paid vacation period or on a paid holiday and receives straight time pay in addition to his or her regular vacation or holiday pay.
No deduction is permissible because, under the basis of premium rule, un-worked vacation pay or holiday pay must always be included in remuneration; and in this case, we are dealing only with the actual pay during the worked vacation period, none of which constitutes overtime.

7) An employee is normally not required to work on a holiday but is paid for the holiday at the regular rate. If he or she does work on the holiday, he or she receives additional pay at time and one-half. One-fifth of the total remuneration for the day is deductible. This represents the extra half-time pay for the day. The basis of premium rule includes as remuneration any wages paid for un-worked holidays. Also, that portion of the time and one-half pay that represents straight time contains no element of deductible overtime. The balance of this pay, however, is deductible because it falls within the scope of the exception to the basic principle pertaining to work performed on Saturdays, Sundays and holidays.

8) The normal working day is 7 hours. The hourly wage is $10 for the first 6 hours and $20 for the 7th hour. If any employee works more than 7 hours, he or she receives $20 per extra hour. What overtime, if any, is deductible under the following conditions:
   a) An employee works 7 hours and receives $80,
   b) An employee works 8 hours and receives $100?

Answers:
   a) There is not deductible overtime.
   b) The deductible overtime is $10, being the increment over the basic hourly wage of $10 which is included in the wage paid for the 8th hour.

9) A guaranteed wage agreement provides for a normal workweek of 50 hours, the guaranteed wage for which is $550, computed on the basis of an hourly wage of $10 per hour for the first 40 hours and $15 per hour for the remaining 10 hours. Any work in excess of 50 hours is compensated at $15 per hour.
   a) An employee works 50 hours and receives the guaranteed wage of $550.
      There is no deductible overtime.
   b) An employee works only 40 hours but still receives the guarantee wage of $550.
      There is no deductible overtime.
   c) An employee works 55 hours and receives a total wage of $625.
      The deductible overtime is $25.00, being the $5 increment over the basic hourly wage of $10, which is included in the wage paid for the hours worked in excess of those covered by the guaranteed wage.
10) An electric-meter reader is paid an hourly wage but also receives a bonus for reading a certain number of meters above a standard number. If the reader works overtime, he or she receives 1 1/2 times the regular hourly rate and 1 1/2 times the regular bonus. The extra half-time and extra portion of the bonus paid for working during the overtime hours is deductible.

11) In alternate weeks, an employee holds himself or herself available for emergency work, receiving an extra day’s pay. If called upon for such work, the employee receives in addition time and one-half for the hours worked, with a minimum of 4 hours straight time even though the emergency work should take only 1/2 hour. What overtime, if any, is deductible in the following:
   a) During one week, the employee performed no emergency work.
      No deduction, because the extra pay for standby is part of the employee’s regular remuneration.
   b) During another week, 1/2 hour of emergency work was performed.
      No deduction, because the 4 hours straight time received is a guaranteed wage.
   c) During yet another week, 3 hours of emergency work was performed.
      The excess over 4 hours at straight time is deductible, that is, 1/2 hour straight time. (3 hours at 1 1/2 times the regular rate = 4.5 hours pay.)

12) An employee is paid on a piecework basis. If the rate of pay per piece is increased after the employee works the normal number of hours, the excess portion above the regular piece rate, earned during the extra hours worked, should be treated as overtime. An increase in the piece rate for increase production within the normal working hours should not be treated as overtime.

13) An employee is paid an hourly wage that is increased if his or her production in normal work hours exceeds a specified standards. The increase in not deductible overtime.

F. Payroll Limitation

1. When Payroll Limitation Applies
   Payroll limitation applies after any deductions of extra pay for overtime.

2. How Payroll Limitation Applies
   For executive officers, elected public officials (who are treated in the same manner as executive officers) athletic teams and traveling carnivals or circuses, the payroll on which premium is based shall exclude that part of the employee’s average weekly pay in excess of the applicable weekly limitation, provided:
a. Books and records are maintained to show separately the total payroll earned by each employee whose average weekly pay for the total time employed during the policy period exceed the weekly payroll limitation, and
b. Separate records are maintained in summary by classification for such employees.

3. Partial Week
A part of a week shall be treated as a full week in determining average weekly pay.

4. Executive Officer’s Payroll
a. The remuneration of an executive officer shall not be included with the payroll of the risk for premium computation purposes, provided:
   1) That such officer is elected for the value of his or her name or because of stock holdings, has no duties, and does not come on the premises, except perhaps to attend director’s meetings;
   2) That such officer ceases to perform any duties and does not come on the premises, except perhaps to attend director’s meetings;
   3) That such officer has been specifically excluded from coverage under the policy by endorsement.

b. The remuneration of an executive officer shall be included with the payroll of the risk for premium computation purposes, subject to the minimum and maximum provision of the Basic Manual, provided:
   1) That such executive ceases to perform any duties, but nevertheless frequently visits the premises of the risk;
   2) That such officer frequently visits the premises of the risk for business conferences, or similar duties, although also an officer or employee of another risk in the operations of which he takes an active interest.

c. Under the following conditions, the amount of remuneration of executive officers that shall be included with the payroll of the risk for premium computation purposes, subject to the minimum and maximum amounts of the Basic Manual, shall be as indicated below:
   1) Where the officer draws no salary in fact, but a regular salary is credited to him or her on the books, the amount so credited shall be included in the payroll of the risk as his or her remuneration.
   2) Where the officer draws no salary in fact, but a regular salary is credited to him or her on the books and subsequently charged back to such officer, the amount so credited shall be included in the payroll of the risk as his or her remuneration regardless of such charge-off.
   3) Where the officer draws no regular salary, but draws such various sums as his or her needs or the conditions of the business dictate, the actual amount drawn shall be included in the payroll of the risk as his or her remuneration.
   4) Where the officer receives no salary in fact, either drawn or credited, or where the records presented to the auditor fail to disclose the salary, the amount
5. **Bonuses**
For the purpose of applying the payroll limitation rule, bonuses paid during the policy term shall be considered as earned during the policy term and prorated for the period of employment during the policy term.

Example:
**Policy Period** – 9/1/97 to 9/1/98  
**Period of Employment** – 52 weeks  
**Amount of annual bonus paid in December 1997** - $1,560  
**Average weekly bonus to be added to average weekly wage** - $30

6. **Period of Employment**
For the purpose of applying the payroll limitation rule, “total time employed during the policy period” of any employee shall be construed as the sum of the portions of all contracts of employment of such employee falling within the policy period.

7. **G. Wages for Time Not Worked**
Some employers pay employees for extra time not worked. No deduction shall be made for such amounts since no overtime work is involved.

Example:
An insured’s employees regularly work 7 hours per day, five days a week. However, they are paid for an extra hour each day at the regular rate of pay.

The entire amount of wages paid for idle time shall be included as payroll.

a. **Wages paid for idle time due to the following causes shall be assigned in their entirety to the classification that applied to the work normally performed by the employee involved.**
   1) Suspension or delay of work on account of weather conditions.
   2) Delays while waiting for materials.
   3) Delays while waiting for another contractor to complete certain work.
   4) Delays arising from breakdown of equipment.
   5) “Stand-by” time where employees such as operators of cranes, hoists or other equipment are on the job but their active services are not required continuously.
   6) Special union requirements or agreements between employer and employees calling for pay for idle time under specified circumstances.
   7) Other causes of similar nature.

b. **Wages paid to key employees of construction, erection or stevedoring risks, such as superintendents, foremen or engineers, for periods during which no jobs are in progress, shall be assigned to the classification applicable to the work that each one actually performs**
during such period. If such work consists exclusively of drafting or other office work, or if such employee is completely idle, his or her wages shall be assigned to Code 8810. Code 8810, however, is not available for office time of an executive supervisor who qualifies for Code 5606, since it is normally expected that such an employee will spend a considerable portion of his or her time in office work.

c. The entire amount of wages paid for idle time to an employee engaged in work other than construction, erection or stevedoring must be assigned without division to the classification that normally applies to that employee.

d. Wages paid to employees who are not on strike but who are unable to perform their normal duties because of a strike shall be assigned to the classification applicable to the work usually performed by such employees, except that if any such employees perform absolutely no work for their employer and are not present on their employer’s premises during such period, such wages shall be assigned to code 8810, provided the facts are clearly disclosed by the employer’s records.

e. Operations assigned to statistical code 0012 are distinct from idle time or downtime, which is usually temporary and results from weather delay, waiting for materials, equipment breakdown, etc. Paid furloughed time, in contrast, is an extended period of time in which a state-wide emergency order has been issued and the employee is unable to perform work duties for the employer because of that order. If an employer requests the employee to perform any duties for the employer, the employee is not deemed a paid furloughed employee for the time period the employee is performing duties for the employer, and payroll must be assigned to the applicable classification for the work being performed in accordance with the manual rules.

H. Final Earned Premium Determination

1. Actual Payroll
   Final earned premium for the policy shall be determined on actual, instead of estimated, payroll or other premium basis.

2. Premium Determination
   The determination of final earned premium is governed by the rules and classifications in this Manual, subject to modification by applicable rating plans.

3. Audit Rights of Servicing Carrier
   The servicing carrier has the right to compute earned premium based on an examination of original payroll records and books of account of the insured, in accordance with the Provisions on Audit in the Standard Policy.
Rule Six – Rates and Premium Determination

A. Rates

1. Definition
   The rate is the amount of premium for each $100 of payroll.
   Exception:
   The premium for some classifications is not based upon payroll. For example, the rate for each domestic worker classification is the amount of premium for each domestic worker, that is, a per capita charge. Refer to Rule Thirteen.

2. Rate
   Rate means the rate that has been duly filed by the Facility and approved by the Commissioner of Insurance.

3. Show Rates on the Information Page
   For each classification shown on the Information Page, the rate shall be stated in the column headed “Rates per $100 of Remuneration”.
   Exception:
   Some classifications have rates that will vary from one job to another. For these classifications enter the words “to be determined” in the column headed “Rates per $100 of Remuneration”.

4. Non-ratable Elements
   Some classifications require a non-ratable element. A separate statistical code number is assigned for each non-ratable element. This statistical code and corresponding rate are applied, in addition to the basic classification, when determining premium.

B. Premium Determination
   Premium for each classification shown in the policy is determined by multiplying the basis of premium by the rate. For payroll, units of $100 are used in the formula.

   Example:
   Payroll = $90,000
   Rate= $1.50
   Premium = ($90,000 / 100) x $1.50 = 1,350

C. Whole Dollars – Premium
   All premiums shall be shown to the nearest dollar. A remainder of $0.50 or more shall be rounded to the next higher dollar.

D. Expense Constant
   1. Explanation
      The expense constant is a premium charge that applies to every policy. It covers expenses such as those for issuing, recording and auditing, which are common to all workers’ compensation policies regardless of size.
Exception:
The expense constant is not charged when the special minimum premium rule is applied on audit, and the special minimum premium becomes the policy final premium. Refer to E. below.

2. Amount of Expense Constant
The expense constant is shown on the rate pages. In the event of policy cancellation, refer to Rule Ten.

The expense constant is not subject to premium discount, experience modification, retrospective rating adjustment nor is it affected by premium generated by the Terrorism surcharge.

4. The expense constant is included in the minimum premium for each classification and shall not be added if the minimum premium becomes the final premium for the policy.

5. Information Page
The expense constant shall be shown on the Information Page.

E. Minimum Premium

1. Explanation
The minimum premium is the lowest premium required in order to provide insurance under the Standard Policy. The minimum premium shall be stated on the Information Page on an estimated basis. It is the lowest total policy premium for a policy period not longer than one year.

2. Location of Minimum Premium in the Manual
The minimum premium for each classification is shown after its code number on the rate pages.

3. How Determined
The minimum premium for a policy shall be determined as follows:
   a) For a policy with only one classification, apply the minimum premium for that classification.
   b) For a policy with two or more classifications, apply the highest minimum premium for any classification on the policy.

4. Experience Rating
The minimum premium is not subject to an experience rating modification.

5. Adjustment Upon audit – Special Minimum Premium Rule
The minimum premium is subject to final adjustment and shall be determined upon audit only on the basis of those classifications developing premium. Subject to conditions in the following
If upon audit it is discovered that there was only a small amount or no earned payroll, the minimum premium appearing in the policy shall be amended in the following manner:

In event that the designated minimum premium is greater than twenty (20) percent of the earned payroll, then the minimum premium shall be twenty (20) percent the earned payroll, but not less than the dollar amount of the expense constant (refer to the miscellaneous values on the rate pages for the amount of the expense constant).

In applying this rule to canceled policies refer to the following:

- **a)** Pro rata cancellation (refer to Rule Ten for definition) the “Designated Minimum Premium” is the prorated amount of the manual minimum premium applicable to the policy.
- **b)** Short rate cancellation (refer to Rule Ten for definition) the “Designated Minimum Premium” is the manual minimum premium applicable to the policy.
- **c)** The dollar amount of the expense constant stated above, which is the lowest possible minimum premium on audit, is not subject to further adjustment in the event of either pro rata or short rate cancellation.

6. **Other Minimum Premium Requirements**

Some coverages or classifications have minimum premiums which are additional minimum premiums. These minimum premiums apply to the policy in addition to the classification minimum premium. Some of these additional minimum premiums are for the following:

- **a)** Increased limits for employers’ liability. Refer to Rule Eight.
- **b)** Endorsements providing additional coverage’s. Refer to the Forms Manual.

Example: The Waiver of Our Right to Recover from Others Endorsement carries a $25 minimum premium for this agreement.

- **c)** Premium generated by the terrorism surcharge.

**F. Deposit Premium**

1. **Amount Payable**

The amount of the Deposit Premium shall not be greater than 25% of the total projected annual premium or $2,500 whichever is greater.

The Facility payment plan provides for payment of 100% of the estimated annual premium if that amount is less than $1,000; 50% of the estimated annual premium if that amount is at least $1,000, but no greater than $2,500; and 25% of the estimated annual premium if that amount if over $2,500. The balance of the estimated annual premium will be paid according to a deferred payment plan established by the Servicing Carrier.
Interim audits may be performed during the policy year to verify payrolls and/or adjust the estimated annual premium. Some kinds of businesses, such as temporary service contractors, employee leasing firms and seasonal construction firms, may also be placed on a mandatory interim reporting system.

2. When Credit Allowed
The deposit premium shall be credited in premium computation to the final earned premium adjustment or to the renewal policy.

The deposit premium shall not be credited to any interim premium adjustment. However, the deposit premium may be adjusted, either by increase or decrease, if the interim audits or the prior year’s final audit indicates a significant deviation from the original estimated annual premium.

The deposit premium shall be sufficient at all time to cover the pro rata earned premium.

G. Premium Modification – Experience Modification
If the risk is subject to experience rating, the experience rating modification shall be shown on the Information Page and applied to the premium in accordance with the Experience Rating Plan. Should the experience modification not be available at the time of policy issuance or if the experience modification should change during the policy year, the policy will be endorsed to reflect the correct experience modification.

H. Premium Determination for Federal and Maritime Insurance
Additional rating procedures are in Rules Eleven and Twelve for insurance for employers’ subject to the U.S Longshore and Harbor Workers’ Act, the Federal Employers’ Act and Admiralty Law.

I. Premium Determination Schedule
The following schedule shows the order in which items are to be listed in calculating the policy premium:

Multiply the rate for each Basic or Special Classification used for the employer by the payroll for that classification. Since rates apply per $100 of payroll, divide the payroll by 100 before multiplying by the rate.

If USL&H Act coverage or any of its extensions (i.e., Defense Base Act coverage, Non-appropriate Fund Instrumentalities Act coverage or Outer Continental Shelf Lands Act coverage) has been added for classifications which do not already include that loading, multiply the rates for those codes by the appropriate USL&H Act loading factor and then multiply the increased rates for the codes times the payroll divided by 100 as above.

If the premium base for the classification is not payroll, multiply the amount of the base (i.e. number of units) x the rate for the classification.

Add any premium charge for Maritime Coverage for Transportation, Wages, Maintenance and Cure from Endorsement WC 00 02 01 B.
Add to the above total, premium for Waiver of Our Right to Recover from others (multiply premium subject to the charge x .02). Charge applies to the premium for the jobs for which the waiver is in effect.

Multiply this total by 1 + the increased employers’ liability limit factor. Multiply the resulting amount by the experience or merit modification. Multiply the resulting amount by 1 – the premium discount factor.

Add, if applicable, any additional minimum premiums which are not subject to experience rating.

Add the expense constant.

# Multiply the resulting amount by 1 + the rating plan A surcharge, if applicable. Add rating plan B Group Loss Fund, if applicable.

If there is an experience modification change, repeat the above process for the time period after the change using the updated experience or merit modification

Add Terrorism Premium (Total Payroll / 100 x .01)

Add (#) totals together to arrive at the total premium on which to base policy deposit premium.

(#) = Use this total to figure the deposit premium amount. If there is a rating plan B Group Loss Fund, it must be paid in full, in addition to the deposit premium normally required.

### ARITHMETIC EXAMPLE OF POLICY PREMIUM

<table>
<thead>
<tr>
<th>Class/Policy Attribute</th>
<th>Payroll</th>
<th>Rate/Factor</th>
<th>+ / -</th>
<th>Premium (Rounded)</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>3632</td>
<td>$100,000</td>
<td>$8.00</td>
<td>$8,000</td>
<td>$8,000</td>
<td>$100 Units of Payroll</td>
</tr>
<tr>
<td>8810</td>
<td>$50,000</td>
<td>$0.40</td>
<td>$200</td>
<td>$8,200</td>
<td>$100 Units of Payroll</td>
</tr>
<tr>
<td>Increased EL Limits Charge</td>
<td></td>
<td>1.00%</td>
<td>$82</td>
<td>$8,282</td>
<td>= 1.010 x $8,200</td>
</tr>
<tr>
<td>Experience Modification</td>
<td></td>
<td>+15%</td>
<td>$1,242</td>
<td>$9,524</td>
<td>= 1.150 x $8,282</td>
</tr>
<tr>
<td>Premium Discount</td>
<td></td>
<td>-4.50%</td>
<td>$(429)</td>
<td>$9,095</td>
<td>= 0.955 x $9,524</td>
</tr>
<tr>
<td>Expense Constant</td>
<td></td>
<td>$200</td>
<td>$200</td>
<td>$9,295</td>
<td></td>
</tr>
<tr>
<td>Rating Plan A Surcharge</td>
<td></td>
<td>+27%</td>
<td>$2,510</td>
<td>$11,805</td>
<td>= 1.270 x $9,524</td>
</tr>
<tr>
<td>Terrorism Premium</td>
<td>$150,000</td>
<td>1.00%</td>
<td>$15</td>
<td>$11,820</td>
<td>$100 Units of Payroll</td>
</tr>
</tbody>
</table>

**Final Policy Premium**  
$11,820

**J. Terrorism Risk Insurance Program Reauthorization Act Disclosure Statement**

Premium for the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement is calculated on the basis of total payroll according to Rule Five. A risk’s total payroll in each state is divided by 100 and multiplied by the terrorism rate found on the Miscellaneous Values pages and/or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement.

Unless an “if any” policy develops premium during the policy term or at audit, policies issued on an “if any” basis will not be charged a terrorism premium.
Rule Seven – Premium Discount

A. Explanation
Premium discount recognizes that the relative expense of issuing and servicing larger premium policies is less than for small premium policies.

B. Definitions
1. Standard Premium
Standard premium means, for the purposes of this rule, the state premium determined on the basis of authorized rates, premium for additional coverages such as increased limits for Employers’ Liability coverage, any experience rating modification and minimum premiums. The Expense Constant, except as it is contained in any minimum premium, shall be excluded from determination of the standard premium.
Note: Other definitions exist for the term “Standard Premium” for purposes other than this rule.
2. Total Standard Premium
Total standard premium means the total premium for all states covered by the policy.
3. Insured
Insured means a single legal entity or two or more legal entities eligible for combination under the Experience Rating Plan Manual.

C. Retrospective Rating
Any standard premium under the retrospective rating plan is not subject to premium discount.

D. Determination of Premium Discount
If a policy develops total standard premium in excess of $10,000, the standard premium is subject to premium discount as follows:

1. Without Retrospective Rating
The premium discount shall be determined by applying the discount percentages shown on the rate pages, or the percentages from the Premium Discount Table, to the total standard premium.

2. With Retrospective Rating
The portion of standard premium subject to a retrospective rating plan is not subject to premium discount. The remainder of that standard premium is subject to premium discount, which shall be computed as follows:

   a) Determine the discount as if none of the premium is subject to retrospective rating;
   b) Determine the discount on the basis of only that premium which is subject to retrospective rating;
   c) The difference between a. and b. is the premium discount.

E. Combination of Policies
Two or more policies issued to two or more legal entities eligible for combination may be combined for the purpose of computing the premium discount for that insured. All such policies must have a common expiration date and must be issued by the same servicing carrier.
Rule Eight – Limits of Liability

A. Part One – Workers’ Compensation

There is no limit of liability in the standard policy of Part One. The policy provides all benefits required by a workers’ compensation law of a state listed in Item 3.a. of the Information Page.

B. Part Two – Employers’ Liability

1. Standard Limit

The standard limits of liability for Part Two are listed on the policy declaration/information page.

2. Increased Limits

The limits for Part Two may be increased, subject to the following:

a) The additional premium for increased limits shall be determined by multiplying the total premium by the percentage in the follow Table of Increased Limits. It shall not be less than the minimum premium shown in the table. For this purpose, total premium shall be computed before application of expense constants, experience modification, premium discount or retrospective rating adjustment.

<table>
<thead>
<tr>
<th>Limit of Liability</th>
<th>Factor</th>
<th>Minimum Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500,000</td>
<td>1.00%</td>
<td>$50.00</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>2.00%</td>
<td>$75.00</td>
</tr>
</tbody>
</table>

b) The premium for increased limits shall be subject to experience rating modification and adjustment for premium discount or retrospective rating.

3. Bodily Injury by Accident

Bodily Injury by Accident (each accident limit) applies to all bodily injury resulting from a single accident.

4. Disease Limit

Bodily Injury by Disease in represented by two limits:

Each Accident Limit – Each Employee Limit is the maximum amount of damages that an insurer will pay for a single employee during the policy year. It applies as a separate limit to bodily injury by disease to any one employee.

Policy Limit – Policy Limit is the aggregate limit that applies to all bodily injury occurring from disease during the term of the policy, regardless of the number of employees who are injured by disease. An aggregate limit is the maximum amount of damages that an insurer will pay during the policy year.

5. Show Limit on the Information Page

A limit of liability for Part Two must be stated on the information Page.
Rule Nine – Special Conditions or Operations Affecting Coverage and Premium

A. Executive Officers

1. Definition
   Executive officers of a corporation are the President, Vice President, Secretary, Treasurer or any other officer appointed or elected in accordance with the charter or bylaws of the corporation.

2. Law and Status
   Executive officers of a corporation are covered under the workers’ compensation law in Michigan. When executive officers are covered under the law, they have the same status as employees under the policy.

3. Exclusion
   An executive officer may elect not to be subject to the law if the corporation has ten or fewer stockholders and the officer owns at least ten percent of the stock. To exclude such officers, attach the Standard Partners, Officers and Others Exclusion Endorsement (WC 00 03 08).

4. Premium Determination
   Premium for executive officers shall be based on their total payroll, subject to the minimum and maximum payroll limitations found under “Miscellaneous Values” on the rate pages and the requirements of Rule Five.

   The payroll limitations apply to the average weekly payroll of each executive officer for the number of weeks the officer was employed during the policy period.

5. Assignment of Payroll
   Payroll of executive officers shall be assigned to classifications and rates under the rules which apply to employees.

B. Elected Public Officials

Elected public officials are employees of the state, or any county, city, village, township or school district therein, elected at the polls. The payroll of all elected public officials shall be included in the statement of payroll and premium charged thereon, subject to the following minimum and maximum amounts:

a) Minimum payroll amounts shall be the same as the minimum payroll amount used for volunteer police officers, firefighters and safety patrol officers which is $400 per person per year.

b) Maximum payroll amount will be the same as the maximum payroll amount show under Miscellaneous Values on the rate pages for executive officers.

c) These limitations shall be applied to the average weekly payroll of each such elected public official determined on the basis of the total number of such weeks employed during the policy term. A part of a week shall be considered as a full week in determining the average weekly payroll.
Payroll of elected public officials shall be assigned to classifications and rates under the rules which apply to employees.

C. Members of Limited Liability Companies
Members of limited liability companies are covered under the workers’ compensation law in Michigan. They have the same status as employees under the policy.

Active member/managers of limited liability companies may elect to be excluded from coverage under the workers’ compensation policy in Michigan provided the total number of members does not exceed ten, and the member/manager owns at least ten percent of the company. Attach the Standard Partners, Officers and Others Exclusion Endorsement (WC 00 03 08).

If not excluded, the premium for active members of limited liability companies is determined using the same minimum and maximum payroll limitations as for executive officers of corporations. Refer to A. above.

Payroll of LLC members/managers shall be assigned to classifications and rates under rules which apply to employees.

D. Partners
The partners of a partnership, whether general, limited or limited liability, are covered under the policy. They may be specifically excluded by endorsement. Attach the Standard Partners, Officers and Others Endorsement (WC 00 03 08).

The fixed amount of payroll to be used for a partner is found under “Miscellaneous Values” on the rate pages. A partner who is inactive in the operations of the business and who does not come on the premises of the insured shall not be included in the premium base for the employer. Payroll of partners shall be assigned to classifications and rates under rules which apply to employees.

E. Sole Proprietors
An employer who is a sole proprietor is not covered by the policy. The spouse of a sole proprietor who is regularly employed on a full-time basis having a specified rate of pay is covered by the policy. Parents and children of a sole proprietor are also covered by the policy. However, the spouse, parents and children of a sole proprietor may be specifically excluded by endorsement. Attach the Standard Partners, Officers and Others Endorsement (WC 00 03 08).

When the spouse is not excluded from coverage, a fixed payroll amount is used as the premium base for that spouse. The amount of this fixed payroll is found under “Miscellaneous Values” on the rate pages.

Payroll for spouses, children and parents of sole proprietors shall be assigned to classifications and rates under rules which apply to employees.

F. Subcontractors
1. Law on Contractors and Subcontractors
The workers’ compensation law provides that a contractor is responsible for the payment of compensation benefits to employees of its uninsured subcontractors.
A subcontractor is one who maintains a separate business and holds himself or herself out to and renders service to the public or who employs others.

2. Coverage
The statutory responsibility is automatically insured by the Standard Policy issued to the contractor.

3. Premium for Uninsured Subcontractors with Employees
The contractor shall furnish satisfactory evidence that the subcontractor with employees had an in force workers’ compensation insurance policy, written by an insurance carrier licensed and approved to write workers’ compensation in the state of Michigan, covering work performed by the subcontractor or provide a copy of an exclusion form (WC 337) which has been properly filed with the Workers’ Compensation Agency if the subcontractor qualifies for the use of such exclusion form. For each subcontractor with employees for which such evidence is not furnished, additional premium shall be charged on the policy which insured the contractor as follows:

a) The contractor shall provide a complete payroll record of the employees of each uninsured subcontractor. Premium on such payroll shall be based on the classifications which would have applied if the employees of the subcontractor had been employees of the contractor.

b) If the contractor does not supply the payroll records of its subcontractors who have employees, the full subcontractor price of the work performed during the policy period by the subcontractor shall be established as the payroll of the subcontractor’s employees. The additional premium shall be charged on that amount as payroll.

EXCEPTIONS:

1) If investigation on a specific job discloses that a definite amount of the subcontract price represents payroll, such amount shall be the payroll for the additional premium computation. In contracts for labor and material, the cost of the material may be deducted from the total contract price and the additional premium shall be charged on the resultant amount as payroll.

2) Where contracts are for mobile equipment with operators (such as but not limited to earth movers, graders, bulldozers or log skidders), the payroll shall be 1/3 of the total contract price for the equipment with operator.

3) Where contracts are for vehicles with drivers, the payroll shall be 1/3 of the total contract price. When the contract price does not include the cost of fuel, maintenance or other services provided, the value of such goods and services shall be added to the contract price before determining the 1/3 amount.

4) The entire amount paid to pieceworkers shall be the payroll.

c) If the experience modification has been established for the contractor, such experience modification shall be applied to the premium resulting from the inclusion of the contractor’s remuneration.
4. Premium shall not be charged for a subcontractor which is a sole proprietorship which has no employees and uses no undocumented subcontractors

If the following criteria establishes that the particular person is, in fact, a subcontractor and not an employee. The burden of proof rests on the contractor.

5. **Criteria to be Used to Determine Subcontractor Status**
   The criteria to be considered in determining whether an individual is an employee or subcontractor is based upon reasonable proof provided to the carrier. Some specific factors to establish the relationship between the general contractor and the subcontractor follow:

   a) **Factors to determine if the subcontractor maintains a separate business;**
      1) A federal identification number of the subcontractor.
      2) A copy of an assumed name certificate filed with the county.
      3) Copies of the subcontractor’s articles of incorporation or partnership papers. (If these exist, refer to F.3. above.)
      4) Subcontractor received an IRS 1099 form in lieu of a W2 form.
      5) The subcontractor maintains its own separate place of business.
      6) The subcontractor furnishes all of its own materials and equipment to perform the job tasks.
      7) Copy of a written contract which spells out an employee/employer relationship.
      8) The subcontractor can realize a profit or suffer a loss as a result of services rendered.
      9) The subcontractor has the right to hire or fire its employees without securing permission from a general contractor.

   b) **Factors to determine if the employer holds itself out to and renders services to the public:**
      1) The subcontractor is listed in the yellow pages and/or advertises in newspapers, trade journals, on TV or on the radio.
      2) List of other general contractors or individuals the subcontractor worked for recently.
      3) The subcontractor performs specific jobs for prices agreed upon in advance and pays expenses incurred in connection with the specific jobs.

   c) **Other Factors**
      1) A sworn statement from the sole proprietor that the sole proprietorship has no employees.
      2) The subcontractor does not primarily depend upon the payments from one general contractor for the payments of the individual’s living expenses.

G. **Underwriting Rules – Farms**

1. **Definition**
   A farm, for the purposes of the application of Workers’ Compensation rates, shall include stock, dairy, poultry, fruit, fur-bearing animals and truck farms, plantations, ranches, nurseries, ranges,
2. Payroll Division
Division of a payroll shall be made for each separate and distinct type of commercial farm operation as described by Manual classifications provided separate records of a payroll are maintained.

Each audit report or voluntary statement shall specify the number of acres in each of the farm classifications, in addition to each classification. In the event the employer’s payroll records do not clearly reveal accurate segregation by classification, the entire payroll for the farm shall be segregated on the basis of proportionate acres.

Premium for all employees performing any type of farm work for a price per unit, contract or measure shall be based upon the total remuneration earned by such persons.

Where contracts with uninsured subcontractors are for the use of licensed motor vehicles with drivers or farm machinery with operators not less than 1/3 of the total contract price shall be deemed to be the total earnings of such drivers or operators if adequate payroll records of the subcontractor are not furnished.

3. Payroll Inclusions
In addition to the inclusion specified in the language of the classification, each classification shall also include all normal repair and maintenance of buildings or equipment performed by employees of the farmer.

4. Payroll Exclusions
The payroll of the following employees shall be segregated and separately rated: new construction or major alterations; fruit or vegetable packing performed away from farm premises; and the operation of farm machinery away from the farm premises by the farmer or his employees for others. The operation of farm machinery away from the farm premises for others is assignable to the classification describing the farm where the work is done.

5. Classification Definitions
   a) “Dairy or Livestock Farm” – Code 0129, applies to all acreage devoted to producing milk or cream and shall also include the raising of cattle, hogs, cattle feeders, hog feeders, sheep and goats. Raising or breeding of horses is assignable to Code 8279.
   b) “Farms – NOC” – Code 0128, applies to all acreage devoted to raising hay, alfalfa, all the cereal grains such as wheat, barley, rice, corn and oats; all sorghums; flax and maize.
   c) “Orchards” – Code 0130, applies to all tree crops and deciduous fruits and nuts.
   d) “Farms – Market or Truck” – Code 0011, applies to all garden vegetable crops and shall also include acreage devoted to potatoes, dry peas, dry beans, sugar beets, berries, flower and vegetable seed, cucumbers and all grapes (table, wine or raisin).
6. **Incidental Crops**
   Such activities as the maintenance of a cow, hogs or chickens for family use; a family orchard or truck garden; or a hay or grain crop raised for the purpose of maintaining work animals on the farm shall be considered usual and incidental to the operation of any type of farm.

7. **Miscellaneous Employees**
   Where adequate records showing labor cost distributed by crops are maintained, the payroll of miscellaneous employees shall be distributed among various crop classifications in the same proportion as the allocated crop payroll bears to the total allocated payroll.

**H. Real Estate Salespersons and Associate Real Estate Brokers**
Michigan’s workers’ compensation law provides that these persons will not be considered to be employees under the law if certain criteria are met. Therefore, there is no premium charge for these persons providing the employer’s records clearly indicate that the criteria have been met for each person.
Rule Ten – Cancellation

A. Who May Cancel

The Cancellation Provision of the Standard Policy permits cancellation by the insured or by the servicing carrier. Michigan law requires that the Workers Compensation Agency must be notified twenty (20) days in advance of the date cancellation is to take effect.

B. Premium Determination – Cancellation by the Servicing Carrier

Premium for the canceled policy shall be computed as follows:

1. Rates and Payroll
   Apply Facility rates to the payroll developed during the period the policy was in force.

2. Experience Rating
   Apply any experience rating modification in accordance with the rules of the Experience Rating Plan.

3. Expense Constant
   Add the pro-rata portion of the Expense Constant but not less than $15.

4. Minimum Premium
   The total premium for the canceled policy shall not be less than the pro-rata portion of the minimum premium. If the Special Minimum Premium Rule applies, refer to Rule Six.E5.

C. Premium Determination – Pro Rata Cancellation

Compute the premium as provided in B above if a policy is canceled by the insured when:

a) All the work covered by the policy has been completed, or
b) All interest in any business covered by the policy has been sold, or
c) The insured has retired from all business covered by the policy, or
d) The insured has placed his coverage in the voluntary market, or
e) The insured ceases to have any employees.

D. Premium Determination – Short Rate Cancellation

Premium for the canceled policy shall be computed as follows:

1. Determine the payroll developed during the period the policy was in force.

2. Extend such payroll pro-rata to an annual basis.
   EXAMPLE:
   A payroll of $55,500 for 185 days would produce a payroll of $109,500 on an annual basis:
   $55,500 x (365 / 185) = $109,500

3. Apply Facility rates to the payroll determined in 2. above.

4. Experience Rating
   Apply any experience rating modification in accordance with the rules of the Experience Rating Plan.

5. Short Rate Percentage
Based on the time the policy was in effect, apply the short rate percentage shown in the Short Rate Cancellation Table to the annual premium computed on the basis of the extended payroll in order to determine the short rate portion of the annual premium.

6. Expense Constant
   Add the short rate portion of the expense constant, but not less than $15 $20.

7. Minimum Premium
   The total premium for the canceled policy shall not be less than the minimum premium.

8. Example of Short Rate Cancellation
   A policy in effect for 185 days develops actual payroll of $55,500, the manual rate is $0.50 with expense constant of $150 $200.
   a) Payroll extended to annual basis = $109,500 (see calculation in 2. above)
   b) Annual premium = $109,500 X $.50 = $548
   c) Short rate percentage for 185 days = 61% (see Table)
   d) Short rate premium for canceled policy = $548 X .61 = $334
   e) Short rate portion of expense constant = $150 $200 X .61 = $92 $122
   f) Total premium for the canceled policy = $426 $456
   g) Minimum premium = $208. Not applicable to this policy.

9. An alternative method for calculating the short rate premium is to take the actual audited payroll times the rate and then to apply the “Factor to Apply to Earned Premium for Period Policy in Effect” from the Table to that premium and then proceed to step e. above. This method is preferable when the insured has seasonal or fluctuating payrolls.
Rule Eleven – U.S. Longshore and Harbor Workers’ Act

A. General Explanation

The U.S. Longshore and Harbor Workers’ Act (U.S.L.& H.W. Act) is a Federal law which provides for payment of compensation and other benefits to employees such as longshoremen, harbor workers, ship repairmen, ship builders, ship breakers and other employees engaged in loading, unloading, repairing or building a vessel. It applies to such employees while working on navigable waters of the United States and also while working on any adjoining pier, wharf, dry dock, terminal, building way, marine railway or other area adjoining such navigable waters customarily used for loading, unloading, repairing or building a vessel. It does not cover masters or members of the crew of a vessel. For complete details, see U.S. Code (1946), Title 33, Sections 901-49, amended by Public Law 92-576. This coverage is only available through the Facility as an adjunct to State Act coverage.

B. Part One – Workers’ Compensation Insurance


C. Part Two – Employers’ Liability Insurance

For operations subject to the U.S.L. & H.W. Act, the standard limits of liability for Part Two is outlined in Rule Eight.

D. Classification and Rates

1. Classifications

Classifications for insurance under the U.S.L.&H.W. Act are listed in “Part Two – Classifications of this Manual.

2. Rates for Federal “F” Classifications

Facility rates for classification code numbers followed by the letter “F” include premium for operations subject to the U.S.L & H.W. Act.

3. Rates for Non-Federal “Non-F” Classifications

Facility rates for classification code numbers not followed by the letter “F” do not include premium for operations subject to the U.S.L. & H.W. Act. If operations under such classifications involve some employees subject to the U.S.L. &H.W. Act, the Facility rates for such classifications shall be increased by the U.S. Longshoremen’s and Harbor Workers’ Compensations Coverage Percentages shown on the rate pages. This percentage applies only to the class code rates. This increased rate shall apply only to the payroll of employees engaged in operations subject to the U.S.L. & H.W. Act for the time such exposure exists providing that the employer keeps adequate payroll records to verify the exposure.
E. Extensions of the USL&H Act

1. Defense Base Act
   The Defense Base Act extends the provisions of the U.S.L. & H.W. Act to employers and their employees on overseas military bases and on other overseas locations under public works contracts being performed by contractors with agencies of the United States Government.

   Employees who are not United States citizens may be exempted from coverage upon approval of a waiver by the Secretary of Labor. For complete details, see Defense Base Act, U.S. Code (1946) Title 42, Section 1651-54, Public Law 208, 77th Congress.

   To provide such insurance, attach the Standard Defense Base Act Coverage Endorsement (WC 00 01 01 A).

   This coverage is only available through the Facility as an adjunct to State Act coverage.

2. Outer Continental Shelf Lands Act
   The Outer Continental Shelf Lands Act extends the provisions of the U.S.L. & H.W. Act to employers and their employees exploring for natural resources on the Outer Continental Shelf of the United States. That area is generally described as all submerged lands lying seaward and outside of the area of lands beneath navigable waters of the United States and is subject to its jurisdiction. For complete details, see:
   U.S. Code (1946) Title 33, Sections 901-49 as extended by the Act of August 7, 1953 (Public Law 212, 83rd Congress).

   To provide such insurance, attach the Outer Continental Shelf Lands Act Coverage Endorsement (WC 00 01 09 C).

3. Non-appropriated Fund Instrumentalities Act
   The Non-appropriated Fund Instrumentalities Act extends the provisions of the U.S.L. & H.W. Act to civilian employees of non-appropriated fund instrumentalities such as post exchanges and service clubs of the Armed Forces. For complete details, see U.S. Code (1970) Title 5, Section 8171 (Public Law 85-538, 85th Congress).

   To provide such insurance, attach the Standard Non-appropriated Fund Instrumentalities Act coverage Endorsement (WC 00 01 08 A).

   This coverage is only available through the Facility as an adjunct to State Act coverage.

4. Premium Determination
   For insurance under extensions of the U.S.L. & H.W. Act, determine premium as provided in Rule Eleven – D.
Rule Twelve – Admiralty Law and the Federal Employers’ Liability Act

A. General Explanation

1. Admiralty Law
   Masters and members of the crews of vessels are not covered under state workers’ compensation laws nor under the U.S.L. & H.W. Act. They are subject to admiralty law and, if injured, have the right to sue their employers for damages in the Admiralty Courts where the proceeding is in the nature of an employers’ liability suit. They also have the right to transportation, wages, maintenance and cure. Such seamen are subject to a federal law, the Merchant Marine Act of 1920, known as the Jones Act (46 U.S. Code, Section 688, 1970), which applies the provisions of the Federal Employers’ Liability Act to seamen. Every person employed on board a vessel is deemed to be a seaman, if connected with the operation or welfare of the vessel while in navigable waters. Usually, navigable waters are defined as those that form a continuous highway for interstate or international commerce.

2. Federal Employers’ Liability Act (FELA)
   The Federal Employers’ Liability Act applies to employees of interstate railroads. Such employees are not subject to state workers’ compensation laws. This federal law imposes liability for damages on the railroad if the injured railroad employee can show negligence on the part of the railroad. For complete details, see 45 U.S. Code, Sections 51-60, 1970.

B. Description of Coverage Programs

The Standard Policy may be used to provide insurance for liability under one or more state workers’ compensation laws and also for liability under admiralty law or FELA. Coverage is provided through the Facility only as an adjunct to state act coverage. When Federal coverage is selected, there is no provision for excluding anyone from the policy.

There are two programs to furnish such insurance:

1. Program I
   Provides, under Part One – Workers’ Compensation Insurance, statutory liability under the workers’ compensation law of any state designated in 3.A. of the Information Page and, under Part Two – Employers’ Liability Insurance, employers’ liability for damages under admiralty law or FELA subject to a standard limit of $100,000.

2. Program II
   Provides the same coverage Program I, but with the addition of Voluntary Compensation. Under Program II, the insurance carrier will offer a settlement of a claim strictly in accord with the statutory benefits provided in the workers’ compensation law designated in the voluntary compensation endorsement attached to the policy, or the statutory benefits provided in the U.S.L. & H.W. Act if that coverage has been endorsed to the policy, as if the claim were subject to such law, instead of subject to the laws of negligence. If the offer of settlement is rejected, employers’ liability then applies to such claim or suit, with the same standard limit as for Program I.
C. Coverage

1. Admiralty Law Endorsements
   To provide Program I for admiralty law, attach the Standard Maritime Coverage Endorsement (WC 00 02 01 B). To provide Program II for admiralty law, also attach the Standard Voluntary Compensation Maritime Coverage Endorsement (WC 00 003).

2. Admiralty Law Coverage Option
   The maritime Coverage Endorsement excludes liability to provide transportation, wages, maintenance and cure. This endorsement may optionally include a provision to insure such liability for an additional premium of 10% of the premium for the maritime coverage provided on the policy.

3. FELA Endorsements
   To provide Program I for employers subject to FELA, attach the Standard Federal Employers’ Liability Act Coverage Endorsement (WC 00 01 04). To provide Program II for Michigan, attach the Standard Michigan Voluntary Compensation Federal Employer’s Liability Act Coverage Endorsement (WC 21 01 01).

   When insurance is provided for liability under admiralty law or FELA, insurance for liability under the U.S.L. & H.W. Act also may be necessary. To provide such insurance, add the standard Longshore and Harbor Workers’ Act Coverage Endorsement. When this endorsement is added and Program II coverage is provided, the class codes and rates used must be those for Program II, U.S. Act.

D. Limits of Liability
   The limit of liability for Part Two for admiralty or FELA insurance under Program I or Program II is the normal Part Two – Employers’ Liability limit. It is not a separate limit. The standard limit of liability for Part Two is $100,000. The limit of liability may be increase to $500,000 or $1,000,000. Refer to Rule Eight for additional information and premium to be charged for increased limits.

E. Minimum Premium
   Minimum premiums for admiralty law and FELA codes are calculated using the same formula as standard codes. The resulting minimum premiums are no longer additional minimum premiums but are ordinary minimum premiums. They are not subject to an experience rating modification.

F. Classifications and Rates
   The classifications are in Part Two – Classifications and the rates are on the rate pages.
Rule Thirteen – Domestic Workers: Residence

A. Definitions

1. Domestic Workers - Inside
   These are employees engaged exclusively in household or domestic work performed principally inside the residence.

   Examples include: a cook, housekeeper, laundry worker, maid, butler, companion, nurse and babysitter.

2. Domestic Workers - Outside
   These are employees engaged exclusively in household or domestic work performed principally outside the residence.

3. Examples include: a private chauffeur and a gardener.

4. Domestic Workers - Occasional
   These are domestic workers, inside or outside, who are employed part-time. Any domestic worker employed more than 1/2 the customary full time, shall be assigned and rated as a full time domestic worker.

   Examples of occasional domestic workers are: persons engaged on certain days for gardening, cleaning, laundering, babysitting and nursing care.

   The term “less than 1/2 of the customary full time” means the following:
   a) If the person is paid on an hourly basis, less than 20 hours per week, or
   b) If the person is paid on a daily basis, where a full week is five days, less than 2 1/2 days per week, or
   c) If the person is paid on a daily basis, where a full time week is 7 days a week, less than 3 1/2 days per week. (This situation generally would occur only when replacements are hired for live-in domestics’ day off.)

B. Coverage

Statutory workers’ compensation obligations of an employer of domestic workers may be insured through the Facility by the Standard Policy. Facility policies automatically cover domestic employees, with the exception of live-in family members who are excluded under the law. No voluntary compensation endorsement is necessary since that endorsement does not exist for the Facility.

C. Name of Insured

One or more members of the same residence may be named as the insured, but only with respect to the employment of domestic workers in connection with such residence.
D. Classifications

1. Domestic Workers
   The classifications for domestic workers are in Part Two – Classifications. If commercial farm operations are conducted, Codes 0912 and 0909 do not apply to any operations at the farm location.

2. Maintenance, Repair or Construction Operations – Residences
   a) Codes 0913, 0908, 0912 and 0909 include ordinary repair or maintenance of the insured’s premises or equipment by domestic workers.
   b) Building maintenance or repair by employees hired for that purpose shall be assigned to code 9015 – Janitorial Operations.
   c) New construction, erection or demolition shall be assigned to construction or erection classifications.

E. Rates and Premium

1. Rates
   The rates for the domestic worker classifications are per capita charges.

2. Records Required
   The insured shall maintain a record of the names, duties and period of service of each domestic worker.

3. Full Time Domestic Workers
   Estimated premium for Codes 0912 and 0913 shall be computed on the estimated number of such domestic workers during the policy period. If additional domestic workers are employed during the policy period or if some domestic workers are no longer employed and are not replaced, the per capita premium charges shall be pro-rated. Each pro rata charge shall be based on the period of employment but shall not be less than 25% of the per capita charge.

4. Occasional Domestic Workers
   Premium for Codes 0908 and 0909 shall be computed on the estimated aggregate time of all occasional domestic workers who are to be employed during the period. Regardless of concurrent employment, a single per capita charge applies for each aggregate of employed time which is 1/2 of the customary full time of each such domestic worker. An additional per capita charge applies to any remainder less than 1/2 of full time. If domestic workers are no longer employed during the policy period and are not replaced, the per capita premium charges shall be prorated. Each pro rata charge shall be based on the period of employment but shall not be less than 25% of the per capita charge.
F. Minimum Premium
   For a policy with two or more classifications, whether per capita rated or payroll rated, apply the highest minimum premium for any classification appearing on the policy. The Special Minimum Premium Rule does not apply to domestic worker policies as they are not based on payroll.

G. Terrorism Risk Insurance Program Reauthorization Act Disclosure Information
   Premium for the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement does not apply to per capita classification.
Tables

A. Premium Discount Table

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Above Table Based on the Following Discounts:

First $ 10,000 0.0%
Next $ 190,000 5.1%
Next $ 1,550,000 6.5%
Over $ 1,750,000 7.5%

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### Pro Rata Cancellation Table

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## PART TWO – CLASSIFICATIONS

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<td>Ore Milling or the manufacturing of Artificial Abrasives to be separately rated.</td>
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### ACETYLENE

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<td>DISPLAY SERVICE - for Stores</td>
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<td>5550</td>
<td>AIR CONDITIONING OR HEATING INSTALLATION, SERVICE OR REPAIR</td>
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Applies to the normal operations involved in the installation, servicing, or repair of all types of heating and air conditioning; includes cleaning and filter changing operations. This code does not include building wiring, excavation or other similar type operations which are not normal to heating and air conditioning work although they may occasionally have to be done. This code applies to both residential and commercial work.

**AIR CONDITIONING SYSTEMS**

- **8387** VEHICLES – SERVICE OR REPAIR
  
  Code 8395 may be used in lieu of 8387 if the risk qualifies for Code 8395 as an Automobile Repair Facility.

- **9519** PORTABLE UNITS - Installation, Service or Repair

- **3574** AIR PRESSURE OR STEAM GAUGE MANUFACTURING

- **7360** AIRCRAFT OR AUTOMOBILE - Preparing and CRATING for Shipment.

- **3629** AIRCRAFT ENGINE MANUFACTURING

- **3040** AIRCRAFT LANDING MATS MANUFACTURING - by welding process

**AIRCRAFT OR HELICOPTER OPERATION**

For all “FLYING CREW” codes, the members of the flying crew are all employees who constitute the normal complement of flying personnel or who are engaged in the operations of the aircraft or the care of passengers or cargo such as:


Persons who are members of the flying crew are always the flying crew and their payroll is not subject to division of payroll with other codes except with respect to Code 7421 for which division of payroll is allowed with other codes.

**AIR CARRIER – SCHEDULED, SUPPLEMENTAL OR COMMUTER**

- **7405** FLYING CREW

- **7403** GROUND EMPLOYEES

  Applies to scheduled or commercial air carriers, including cargo carriers, certificated as such and operating under Part 121 of the Federal Aviation Regulations. Also applies to commuter air carriers operating under Part 135 or Part 127 of the Federal Aviation Regulations, and which conduct at least five (5) round trips per week between two (2) or more points and publish flight schedules that specify the times and days of the week and places between which such flights are performed.

- **7423** AIRPORT OR HELIPORT OPERATOR

  Members of the flying crew to be separately rated under the appropriate aircraft or helicopter operation classification.

**TRANSPORTATION OF PERSONNEL, in conduct of employer’s business**

- **7421** FLYING CREW
Applies to the payroll of pilots and all members of the flying crew. Also applies to the payroll of executive officers or other employees who engage in the operation of aircraft in the conduct of the employer’s business.

Commercial aircraft operation to be separately rated.

7423 GROUND CREW NOC

These classifications include aerial application, seeding, herding, scintillometer surveying; firefighting; flight testing by manufacturer; patrol, photography; public exhibition involving stunt flying, racing or parachute jumping; and sales or service agencies, taxi or sight-seeing, and student instruction as well as any other types of aircraft or helicopter operations not specifically mentioned above.

7422 FLYING CREW

7423 GROUND EMPLOYEES

As respects aerial photography, mapping or survey work, the payroll of the ground laboratory employees shall be assigned to Code 4361 - Photographer.

3628 AIRPLANE OR HELICOPTER MANUFACTURING

3076 AIRPLANE SUBASSEMBLIES MANUFACTURING - Metal - Cowling, wing, tabs, aileron, etc.

5507 GRADING

5506 PAVING

7720 AIRPORT SECURITY SCREENING – CONTRACT

8350 ALCOHOL DEALERS – BULK

2131 ALCOHOL MANUFACTURING – GRAIN

5645 ALUMINUM SIDING INSTALLATION

Dwellings – three stories or less

5403 All other buildings or structures

3066 ALUMINUM WARE MANUFACTURING

Applies to goods manufactured from sheet aluminum. Rolling mills or smelting to be separately rated.

7380 AMBULANCE SERVICE COMPANY

When volunteers are employed a payroll minimum of $400 per person per year applies. Aircraft ambulance services to be separately rated under the classifications for Airplane or Helicopter Operations: NOC.

When the employer elects the Waiver of Coordination of Benefits for volunteers under this classification use Code 7980 instead of Code 7380.

4829 AMMONIA MANUFACTURING

4829 AMMONIUM NITRATE MANUFACTURING - Includes dehydration and graining.
AMUSEMENT

9015 DEVICE OPERATOR, CARNIVAL OR CIRCUS – TRAVELING

The remuneration of employees assigned to this particular classification shall be subject to a minimum of $500 per employee per year and a maximum amount equal to the maximum amount listed on the miscellaneous values page of this manual for executive officers, active members of an LLC, and traveling carnivals.

9015 PARK OR EXHIBITION OPERATION

Includes parks, fairgrounds, zoos, amusement parks, exhibition halls, etc. and applies to ticket sellers and ticket takers at such locations. Includes the operation of merry-go-rounds, swings, roller coasters and similar amusement devices at fixed locations. Also includes buildings, grounds, and equipment maintenance and repair.

Concession or souvenir stands, food service operations, entertainers and parking operations are among the operations which are to be separately rated.

4511 ANALYTICAL OPERATIONS

Applies to both chemical and physical testing operations and gathering of sample materials. Also applicable to research and development operations of an employer engaged in manufacturing operations.

May apply to quality control operations only when these operations are conducted in a physically separated area using laboratory or scientific testing equipment such as spectrometers, computerized measuring devices, x-rays, chemical testing apparatus, etc.

The use of gages or micrometers, or the use of “look at” or “feel of” measuring criteria for quality control does not qualify for code 4511. Core drilling to be separately rated as Code 6204 - Drilling NOC.

8350 ANHYDROUS AMMONIA – SALE AND DISTRIBUTION

4825 ANTI-TOXIN, SERI, OR VIRUS MANUFACTURING

0034 APIARIES

8601 ARCHITECT OR ENGINEER – CONSULTING

Does not apply when engaged in actual construction.

3628 ARMS MANUFACTURING – SMALL

Applies to arms .50 caliber or under. Includes cartridge manufacturing or assembly.

3548 ARMS MANUFACTURING – NOC

Steel making, forging, shell manufacturing, or shell loading to be separately rated.

ARTIFICIAL

8831 INSEMINATION OF CATTLE

2790 LIMB MANUFACTURING

4692 TEETH MANUFACTURING

9403 ASHES, GARBAGE OR REFUSE COLLECTION
ASHES, GARBAGE OR REFUSE – DRIVERS IN CONNECTION THEREWITH

ASPHALT

LAYING ON TOP OF ALREADY CONSTRUCTED HIGHWAY.

Includes spraying roads with liquid asphalt.

OR TAR DISTILLING OR REFINING

Felt or paper manufacturing or coke burning to be separately rated Chemical works or manufacturers of dyes or products used as explosives to be separately rated.

PAVING BRICKS MANUFACTURING

WORKS

Digging, mining or quarrying to be separately rated. Applies to both permanent and temporary locations when operated by paving contractors.

ASSAYING

ASSISTED LIVING FACILITY

ASYLUM

FOOD SERVICE OPERATIONS

JANITORIAL OPERATIONS AND CUSTODIAL CARE

PROFESSIONAL EMPLOYEES

ATHLETIC TEAM

NON-CONTACT SPORTS – INCULDE, BUT ARE NOT LIMITED TO, BASEBALL, BASKETBALL, AND SOCCER.

Non-contact is defined as a sport where a player is penalized for contact with another player.

The remuneration for players, whether regularly played or not, coaches, managers, or umpires, used in computing premium is subject to the weekly minimum and maximum listed on the miscellaneous values page for executive officers, active members of an LLC, and athletic teams.

This classification is not applicable for amateur, youth, or recreational sports, in which athletes are generally not paid. Refer to code 9063 for these risks.

CONTACT SPORTS – INCLUDE, BUT ARE NOT LIMITED TO, FOOTBALL AND HOCKEY.

The remuneration for players, whether regularly played or not, coaches, managers, or umpires, used in computing premium is subject to the weekly minimum and maximum listed on the miscellaneous values page for executive officers, active members of an LLC, and athletic teams.

This classification is not applicable for amateur, youth, or recreational sports, in which athletes are generally not paid. Refer to code 9063 for these risks.

OPERATIONS – APPLIES TO ALL EMPLOYEES OTHER THAN PLAYERS, COACHES, MANAGERS OR UMPIRES.
This classification is not applicable for amateur, youth, or recreational sports, in which athletes are generally not paid. Refer to code 9063 for these risks.

**ATOMIC ENERGY**

9984 PROJECT WORK

All work, either construction or operations, performed for or under the direction of the Nuclear Regulatory Commission or any government agency may be rated on an individual risk basis. Each risk so rated shall be submitted by the carrier to the Facility for approval of the basis agreed upon by the carrier, the contractor and the Nuclear Regulatory Commission or government agency.

9985 RADIATION EXPOSURE NOC

Where operations involve research, manufacture, handling, transportation, use of, or exposure to radioactive materials, and are not performed for or under the direction of the Nuclear Regulatory Commission or any government agency, a supplemental rate may be applied to such operations subject of the approval of the Facility.

**EXCEPTION:**

Where the radiation hazard involved arises from a reactor or is equivalent to the radiation hazard of a reactor, the rating provisions of Code 9984 will apply.

8820 ATTORNEY

8017 AUCTIONEERS - Not livestock sales stable.

5191 AUDIO OR CALL BOX SYSTEMS - Installation, Service, or Repair - Within Buildings

8803 AUDITORS, ACCOUNTANT OR FACTORY COST OR OFFICE SYSTEMATIZER – TRAVELING

3145 AUTOMATIC SCREW MACHINE PRODUCTS MANUFACTURING

**AUTOMATIC SPRINKLER**

3634 HEAD MANUFACTURING

5188 INSTALLATION, SERVICE, OR REPAIR

Lawn sprinkler installation, service, or repair to be separately rated as Code 5183.

**AUTOMOBILE**

8046 ACCESSORY STORE - RETAIL – NOC

Not auto replacement parts.

8393 BODY REPAIR

Applies to the repair of automobile, bus, truck, or trailer bodies and includes painting and interior upholstery work necessary for repair.

3824 BUS, TRUCK, OR TRAILER BODY

9501 PAINTING
9522  UPHOLSTERING
8387  CAR WASH
3821  DISMANTLING

Counter sales persons to be separately rated as Code 8010.

7380  DRIVEAWAY - DRIVERS
Applies to the delivery of over-the-road vehicles when driven individually.

3827  ENGINE MANUFACTURING
8387  GLASS INSTALLATION OR REPAIR

AUTOMOBILE HAULAWAY OR DRIVEAWAY

7317  DRIVING CARS ON OR OFF VESSELS
7219  HAULAWAY
7208  DRIVERS IN CONNECTION THEREWITH

3179  HORN MANUFACTURING - ELECTRIC

AUTOMOBILE JACK MANUFACTURING

3612  HYDRAULIC
3632  MACHINED FROM CASTINGS
3179  LAMP MANUFACTURING

AUTOMOBILE LEASING COMPANY – LONG TERM

8748  SALESPERSONS
8395  GARAGE EMPLOYEES
3808  MANUFACTURE OR ASSEMBLY

Applies to the manufacture or assembly of complete automobiles, trucks or buses. Does not apply to the manufacture of parts of these vehicles.

8387  MUFFLER – INSTALLATION OR REPAIR
8392  PARKING LOT
8010  PARTS DEALER
3400  PARTS MANUFACTURING – STAMPED METAL PARTS
7422  RACING - DRIVERS – INCLUDES PIT CREW
3807  RADIATOR MANUFACTURING
### RADIATOR REPAIR

May be Code 8395 if risk is a licensed auto repair facility.

### RENTAL COMPANY

### DRIVERS IN CONNECTION THEREWITH

### GARAGE EMPLOYEES

### JANITORIAL OPERATIONS

### REPAIR FACILITY

Includes automobile sales and service agencies and all establishments providing repair services for which their employees must have State certification as automobile repair facility mechanics. Parts department employees are to be assigned to Code 8010 - Auto Parts Dealer.

Establishments engaged exclusively in repair of automobile bodies (metal, fiberglass or plastic) are to be assigned to Code 8393 – Auto Body Repair.

Operation of a gasoline station in connection with an auto repair facility is to be classified as either Code 8387 - Gasoline Station - Retail - NOC or Code 8381 - Gasoline Station - Retail - Self-Service.

### WRITE-UP PERSONNEL

Applies to those persons who simply write up the service orders for auto repair facilities. These persons are located outside of the actual shop area of the repair facility; and their duties consist of writing up the service orders when customers bring their vehicles into the shop, explaining repairs, bills, etc. to the customer, calling the customer if further work needs to be done, etc. They have no other duties except perhaps some clerical functions.

### SALESPERSONS

### SERVICE STATION

### STORAGE GARAGE OR PARKING STATION

### TOWING COMPANY

### DRIVERS IN CONNECTION THEREWITH

### TRAILER MANUFACTURING – HOME TYPE

### AUTOMOTIVE

### LIGHTING, IGNITION, OR STARTING APPARATUS MANUFACTURING NOC

### MACHINE SHOP – NOR WORK ON VEHICLES

Applies to operations involving the repair of parts that have been removed from the vehicle by others. Includes cylinder boring, valve grinding, turning brake drums, re-babbitting connecting rods, etc. If tolerances held on over 50% of work are at least .001 inches or smaller, Code 3629 - Precision Machined Parts Manufacturing NOC may be used in place of Code 3632.

### REPLACEMENT PARTS DEALER – WHOLESALE OR RETAIL
5538  AWNING MANUFACTURING AND ERECTION - METAL

2576  AWNING, TENT, OR CANVAS GOODS MANUFACTURING - NOC

Erection, removal or repair (done outside the shop) to be separately rated as Code 5538. Manufacture of metal supports or poles or metal awnings to be separately rated as Code 3076. Manufacture only of metal awnings to be rated as Code 3076.

5538  AWNING, TENT OR CANVAS GOODS ERECTION, REMOVAL, OR REPAIR

3113  AXE AND SLEDGE HAMMER MANUFACTURING
B

**Code #**  **Classification**

3076    BABY CARRIAGE MANUFACTURING

8835    BABYSITTING SERVICE

**BAG MANUFACTURING**

2501    CLOTH

  Applies to the manufacturing, renovating, or repairing of fabric bags or sacks such as cotton, burlap, or gunny bags or sacks and includes sewing.

2683    LUGGAGE

  Applies to the manufacture of traveling bags and hand luggage.

4273    PAPER

  Paper manufacturing to be separately rated as Code 4239

2003    BAKERY

6504    BAKING POWDER MANUFACTURING

  Manufacturing of ingredients to be separately rated. Can manufacturing to be separately rated as Code 3315.

3638    BALL OR ROLLER BEARING MANUFACTURING

**BANKS, CREDIT UNIONS, AND TRUST COMPANIES**

The basic and major operations of banks, credit unions, and trust companies are clerical in nature and assignable to Code 8810 which is a Special Classification; therefore, the payroll of all employees not specifically included in the definition of clerical office employees shall be separately rated. The following indicates the appropriate classification assignment for miscellaneous employees of such institutions:

7380    ARMORED CAR CREWS

  Not applicable to contractors who provide such services.

9058    CAFETERIAS OR RESTAURANTS

8832    DISPENSARIES

9015    EMPLOYEES ENGAGED IN CARE, CUSTODY, OR MAINTENANCE INCLUDING NIGHT WATCH GUARDS AND ELEVATOR OPERATORS

7720    GUARDS, PATROLS, MESSENGERS, OR ARMORED CAR CREWS – EMPLOYEES OF CONTRACTING AGENCIES

5191    OFFICE MACHINE REPAIR

4299    PRINTING

8742    RUNNERS OR MESSENGERS
9586 BARBER SHOP

**BARK PEELING**

2702 IN CONNECTION WITH LOGGING OR BY CONTRACTORS FOR PULP WOOD

4207 BY PAPER MILLS

2731 BARKING MILLS

**BARREL – WOOD**

2881 ASSEMBLY

2915 MANUFACTURING – WOOD VENEER

2731 STOCK MANUFACTURING

Applies to the manufacture of heads, hoops or staves.

3400 BARREL OR DRUM – METAL MANUFACTURING

2841 BASEBALL BAT MANUFACTURING – WOOD

4902 BASEBALL MANUFACTURING

**BASKET MANUFACTURING**

2790 WILLOW WARE

2915 WOOD VENEER

9015 BATH HOUSE – BEACH

9063 BATH – NOC

3179 BATTERY MANUFACTURING

9402 BEACH CLEANING

8102 BEAN SORTING OR HANDLING

9586 BEAUTY PARLOR

3257 BED SPRING OR WIRE MATTRESS MANUFACTURING

Box spring manufacturing to be separately rated as Code 2501.

3076 BEDSTEAD MANUFACTURING OR ASSEMBLY – METAL

7390 BEER OR ALE DEALERS – WHOLESALE

7210 DRIVERS IN CONNECTION THEREWITH

5183 BEER DRAWING EQUIPMENT – CLEANING AND INSTALLATION

9058 BEER GARDEN OR TAVERN
BEER VAT COATING WITH CHEMICALS

BEET SUGAR MANUFACTURING

BELL INSTALLATION – TOWER

BEVERAGE MANUFACTURING – CARBONATED – NOC

BICYCLE MANUFACTURING OR ASSEMBLY

BILL POSTING

BILLIARD HALL

BLACKSMITH

**BLAST FURNACE**

ERECTION

OPERATION

Includes maintenance and repair of furnaces or operations incidental to storage or handling of materials or products, Mining, slag excavation, quarrying, coke manufacturing or the erection of furnaces to be separately rated.

REPAIR AND RELINING - MASONRY

BLASTING AGENTS - PREPARATION OR DISTRIBUTION

Includes distribution of high explosives. Blasting operations to be separately rated as Code 6217. No high explosives manufacturing.

BLASTING ROCK - SPECIALIST CONTRACTOR

BLUEPRINT PAPER MANUFACTURING

BOARDING HOUSES

**BOAT BUILDING OR REPAIR**

These classifications include shop and yard work and are applicable to the construction or repair of wood, metal, fiberglass, or plastic yachts, motorboats, sailboats, or rowboats not exceeding 150 feet in length overall.

These classifications shall not be limited to risks engaged solely in the construction or repair of pleasure craft but shall also be applicable to risks engaged in the construction of commercial type boats within 150 feet in length.

**COVERAGE UNDER U.S. ACT**

**COVERAGE UNDER STATE ACT**

**BOAT BUILDING – WOOD – NOC – INCLUDES SHOP AND YARD WORK**

**COVERAGE UNDER U.S. ACT**

**BOAT LIVERY** - Boats under 15 tons
This classification includes the laying up or putting into commission of boats. Boats 15 tons or over to be separately rated under the appropriate vessels classification.

**COVERAGE UNDER ADMIRALTY LAW**

7038  PROGRAM I

7090  PROGRAM II – STATE ACT

7050  PROGRAM II – USL&HW ACT

6836  COVERAGE FOR INLAND WATERS ONLY – NO WORK ON NAVIGABLE WATERS

2841  BOBBIN AND SPOOL MANUFACTURING – WOOD

**BOILER**

5022  BRICK WORK – INSTALLATION OR REPAIR

8720  INSPECTION

3726  INSTALLATION OR REPAIR – STEAM

5183  OR STEAM PIPE INSULATING

  Applies to the application of non-conducting insulating materials.

3726  SCALING

3620  BOILERMAKING

5550  BOILERS – DOMESTIC – INSTALLATION OR REPAIR

3132  BOLT OR NUT MANUFACTURING

  Steel making or rolling mill to be separately rated.

4452  BONE OR IVORY GOODS MANUFACTURING

4307  BOOKBINDING

3548  BOOKBINDING OR PRINTING MACHINE MANUFACTURING

2660  BOOT OR SHOE MANUFACTURING – NOC

4568  BORAX, POTASH OR SALT PRODUCING OR REFINING

  Mining to be separately rated.

3131  BOTTLE CAP MANUFACTURING

2070  BOTTLE DEALER – USED

  No collecting of scrap iron or steel. This classification includes beverage bottle or can recycling. Risks engaged in bottle or can crushing shall be subject to Code 8264.
BOTTLING

2157  NOT SPIRITUOUS LIQUORS

2131  SPIRITUOUS LIQUORS

2157  WINE

9093  BOWLING LANE – INCLUDES BOWLING LANES WITH BILLIARD HALLS

4279  BOX OR CASE LINING MANUFACTURING – FROM WATERPROOF PAPER FOR EXPORT PACKING

BOX MANUFACTURING

4243  FOLDING PAPER

  Paper or paperboard manufacturing to be separately rated.

4240  SET-UP PAPER

  Paper or paperboard manufacturing to be separately rated.

2841  WOOD FRAMES FOR TRAVELING OR LUGGAGE BAGS

2759  BOX OR BOX SHOOK MANUFACTURING

2501  BOX SPRING OR MATTRESS MANUFACTURING

  Separately rate the manufacturing of wire springs or excelsior.

BOY AND GIRL SCOUT COUNCILS

9015  CAMP OPERATIONS

8742  EXECUTIVE SECRETARIES – OFFICE AND TRAVEL

8810  CLERICAL OFFICE EMPLOYEES

2380  BRAID OR FRINGE MANUFACTURING

4557  BRAKE FLUID MANUFACTURING

8395  BRAKE SERVICE OR REPAIR

3315  BRASS OR COPPER GOODS MANUFACTURING

2016  BREAKFAST FOOD MANUFACTURING

  Applicable to the manufacturing of prepared foods only, and is not available to concerns engaged in grain milling exclusively. Includes the manufacturing of pasta, crackers and cookies.

8279  BREEDING FARM OR STABLE

  Applies to the training of race horses, polo ponies and horses for exhibition purposes. Includes jockeys and trainers.

2121  BREWERY
4024 BRICK OR CLAY PRODUCTS MANUFACTURING

Includes the manufacturing of common, face, fire or enameled, pressed, or repressed building or paving brick; sand-lime bricks; structural, fireproofing, drainage, and roofing tiles; wall copings; glazed or unglazed sewer or drain pipes or conduits; pottery; porcelain; flower pots; or similar products including those made from refractory clays with or without other refractory materials.

Clay digging, mining, or quarrying to be separately rated.

BRIDGE

5222 CONSTRUCTION – CONCRETE

See note under “CONCRETE CONSTRUCTION – BRIDGE”

5403 CONSTRUCTION – WOOD

Pile driving to be separately rated.

9015 VEHICULAR TUNNEL TUNNEL OPERATION

Includes all employees on approaches. Structural alterations or repairs to be separately rated.

BRUSH OR BROOM

2881 ASSEMBLY

Applies to assembly operations.

2841 HANDLE MANUFACTURING

Applies only to the sawing, molding or turning of backs or handles.

4557 BUFFING AND POLISHING COMPOUNDS MANUFACTURING

2576 BUFFING OR POLISHING CLOTH, CLOTH DISKS, OR CLOTH WHEEL MANUFACTURING

5022 BUILDING CAULKING

9015 BUILDING MAINTENANCE AND REPAIR – BY REAL ESTATE MANAGING AGENTS

The maintenance and repair of a building operated on behalf of the owner by a real estate managing agent, when performed by regular or temporary employees of the real estate managing agent or uninsured subcontractors, shall be assigned to Code 9015 – Janitorial Operations and Custodial Care.

New construction or erection or demolition work, whether performed by regular or temporary employees or uninsured subcontractors shall be assigned to the appropriate construction or erection classification.

BUILDING MATERIAL DEALER – NEW OR USED

8058 STORE EMPLOYEES

8232 YARD & WAREHOUSE EMPLOYEES

Includes reconditioning and sale of second-hand building materials.

2802 BUILDING MANUFACTURING – PORTABLE – WOOD
9501  BUILDING OR ROOFING PAPER OR FELT PREPARATION

Paper or felt manufacturing to be separately rated.

9530  BUILDING RAISING OR MOVING

5191  BURGLAR ALARM INSTALLATION OR REPAIR

BURIAL

9522  GARMENT MANUFACTURING AND CASKET OR COFFIN UPHOLSTERING

5022  VAULT INSTALLATION – NO MANUFACTURE – ABOVE GROUND

4034  VAULTS MANUFACTURING – CONCRETE

7382  BUS COMPANY

7212  DRIVERS IN CONNECTION THEREWITH

8395  GARAGE EMPLOYEES

9015  JANITORIAL OPERATIONS

2081  BUTCHERING

Includes the handling of livestock, preparation of dressed meat, washing of casings and offal. The preparation of dressed meat is concluded when the carcass is placed in the cooler room for aging.

Subsequent operations may be subject to the following treatment if the risk qualifies under Rule Four – D.

Processing fresh meat for wholesale or retail sales is assignable to the appropriate store class in conformity with the store classifications.

Processing fresh meat into meat products by smoking, curing, preserving, cooking, canning and tinning, sausage and sausage casing manufacturing. To be assigned to Code 2095 - Meat Products Manufacturing NOC.

Rendering or fertilizer manufacturing to be separately rated.

2070  BUTTER OR CHEESE MANUFACTURING

3131  BUTTON OR FASTENER MANUFACTURING

May also be used to apply to the manufacturing of small sheet metal parts when produced exclusively by automatic stamping machines.
Code # Classification

CABINET WORKS

2881 NO POWER MACHINERY

2812 WITH POWER MACHINERY

5190 CABLE INSTALLATION

Applies to cable installation in conduits or subways. Conduit construction to be separately rated as Code 6325. This code does not apply to TV cable installation.

6325 CABLE LAYING

By specialist contractors employing automatic equipment which, in one operation, opens the trench, lays the cable, and backfills. Applies to any cable installation done directly in the ground.

CABLE MANUFACTURING

4470 INSULATED ELECTRICAL

Wire drawing to be separately rated as Code 3241.

3241 OR WIRE DRAWING

3257 OR WIRE ROPE MANUFACTURING – IRON OR STEEL

No wire drawing. Not insulated electrical cable.

CABLE TELEVISION

Refer to “TELEPHONE, TELEGRAPH, OR CABLE TELEVISION”

6217 CAISSON WORK

Pile driving, concrete and masonry work to be separately rated.

1438 CALCIUM CARBIDE MANUFACTURING

8017 CAMERA OR PHOTOGRAPHIC SUPPLIES STORE - RETAIL

3383 CAMERA REPAIR

9015 CAMP OPERATION NOC

2070 CAN RECYCLING – BEVERAGE – NO CRUSHING

4557 CANDLE MANUFACTURING

6824F CANOE BUILDING (or 6834)

2111 CANNERY NOC

Can manufacturing to be separately rated as Code 3315.
5538 CANVAS SIDEWALLS – ERECTION – AT BALL PARKS, ETC

CANVAS GOODS

2501 LIGHTWEIGHT MATERIALS

Applies to manufacturing of awnings, tents, and protective coverings such as tarpaulins for automobiles, boats, machinery, trucks and trailers, or similar products when made from textile material not exceeding a weight of twelve (12) ounces per square yard. When heavier weight material is used, Code 2576 applies. Operations at the customer’s site consisting of awnings, tents, or canvas goods erection, removal or repair to be separately rated as Code 5538.

2576 MANUFACTURING – NOC

3082 CAR WHEEL MANUFACTURING – RAILROAD

4825 CARBON DIOXIDE MANUFACTURING

4251 CARBON PAPER OR TYPEWRITER RIBBON MANUFACTURING

Paper manufacturing to be separately rated as Code 4239.

2157 CARBONATED BEVERAGE MANUFACTURING NOC

3581 CARBURETOR MANUFACTURING

4239 CARDBOARD, BRISTOL BOARD AND PAPERBOARD MANUFACTURING

4279 CARDBOARD MAILING TUBE MANUFACTURING

9015 CARNIVAL, CIRCUS, OR AMUSEMENT DEVICE OPERATOR – TRAVELING

The remuneration of employees assigned to this particular classification shall be subject to a minimum of $500 per employee per year and a maximum equal to the maximum amount listed on the miscellaneous values page of this manual for executive officers, active members of an LLC, athletic teams and traveling carnivals.

CARPENTRY

5645 CONSTRUCTION OF RESIDENTIAL DWELLINGS NOT EXCEEDING THREE STORIES IN HEIGHT. THIS INCLUDES GARAGES CONSTRUCTED IN CONNECTIN WITH THE DWELLINGS.

5437 INSTALLATION OF CABINET WORK, INTERIOR TRIM OR FINISHED WOODEN FLOORING OR LATHING

2802 SHOP ONLY

Where a risk deals in any lumber or building materials or in any fuel and materials in addition to performing carpentry shop operations, all yard operations shall be rated as Code 8232.

5403 NOC

Applies to carpentry operations not specifically described above. Generally applies to the construction or repair of commercial buildings and multi-unit residential buildings exceeding three stories in height.

CARPET, RUG OR UPHOLSTERY CLEANING

9015 AT CUSTOMER’S LOCATION – COMMERCIAL OR RESIDENTIAL
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2585</td>
<td>SHOP</td>
</tr>
<tr>
<td>9521</td>
<td>CARPET INSTALLATION</td>
</tr>
<tr>
<td>2380</td>
<td>CARPET OR RUG MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Includes jute or hemp carpet or rug manufacturing as well as carpets or rugs made from other materials.</td>
</tr>
<tr>
<td>3808</td>
<td>CARRIAGE OR WAGON MANUFACTURING OR ASSEMBLY</td>
</tr>
<tr>
<td></td>
<td>Baby carriage manufacturing to be separately rated as Code 3076.</td>
</tr>
<tr>
<td>5183</td>
<td>CARRIER SYSTEM – PNEUMATIC- INSTALLATION OR REPAIR</td>
</tr>
<tr>
<td></td>
<td>Applies to work inside of buildings but also includes those used by banks to service their drive up customers. Installation of freight carrier systems to be rated as Code 3724.</td>
</tr>
<tr>
<td>3574</td>
<td>CASH REGISTER MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>CASKET or COFFIN</td>
</tr>
<tr>
<td>3076</td>
<td>MANUFACTURING OR ASSEMBLY – METAL</td>
</tr>
<tr>
<td>2881</td>
<td>MANUFACTURING OR ASSEMBLY – WOOD</td>
</tr>
<tr>
<td>9522</td>
<td>UPHOLSTERING AND BURIAL GARMENT MANUFACTURING</td>
</tr>
<tr>
<td>3341</td>
<td>CASTING MANUFACTURING – METAL – INVESTMENT – LOST WAX PROCESS</td>
</tr>
<tr>
<td>9058</td>
<td>CATERER</td>
</tr>
<tr>
<td>4131</td>
<td>CATHEDRAL OR ART GLASS WINDOW MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Includes glass manufacturing.</td>
</tr>
<tr>
<td>0129</td>
<td>CATTLE DEALER</td>
</tr>
<tr>
<td>5020</td>
<td>CEILING TILE INSTALLATION – ACOUSTICAL</td>
</tr>
<tr>
<td>5022</td>
<td>CEMENT BLOCK ERECTION</td>
</tr>
<tr>
<td>1701</td>
<td>CEMENT MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Excavation or digging, dredging, mining, or quarrying to be separately rated.</td>
</tr>
<tr>
<td>9220</td>
<td>CEMETERY OPERATION</td>
</tr>
<tr>
<td></td>
<td>Includes removal operations which involve opening graves, removing and re-interring remains.</td>
</tr>
<tr>
<td>9402</td>
<td>CESSPOOL CLEANING - SPECIALIST CONTRACTORS</td>
</tr>
<tr>
<td>3110</td>
<td>CHAIN MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>FORGED</td>
</tr>
<tr>
<td>3257</td>
<td>FORMED OR WELDED FROM WIRE</td>
</tr>
</tbody>
</table>
3146  ROLL OR DRIVE TYPE
8837  CHARITABLE OR RELIGIOUS ORGANIZATION – WELFARE – OPERATIONS
7380  CHAUFFEURS AND/OR DRIVERS NOC
  Subject to the Special Classifications Rule. See also the various special Driver classifications in this Manual.
2070  CHEESE OR BUTTER MANUFACTURING
4828  CHEMICAL BLENDING OR MIXING NOC
  This code applies to chemical blending or mixing operations for risks which do not manufacture chemicals. It may also be used for the blending or mixing operations of a chemical manufacturing firm provided that such operations are conducted in an area which is physically separated from the manufacturing area.
4829  CHEMICAL MANUFACTURING NOC
  This code applies to risks which are engaged in the manufacture of chemicals for which there is no more specific Basic Classification. It includes the blending or mixing of chemicals when this is done as a part of a process continuous with the manufacture. However, blending or mixing operations may be separately rated under Code 4828 if they are done in an area which is physically separated from the manufacturing area. The following is a partial list of chemical manufacturing processes contemplated by Code 4829: alcoholysis; alkylaition; elimination; calcination; carboxylation; compression of gasses; distillation; esterification; halogenation; nitration; oxidation; reduction; sulphonation, manufacturing of explosives.
2041  CHEWING GUM MANUFACTURING
  CHENILLE PRODUCTS MANUFACTURING
2380  CARPET OR CLOTH MANUFACTURING
2501  FROM CHENILLE CLOTH – CUTTING, SEWING, AND FINISHING.
8869  CHILD CARE SERVICES
  Applies to risks which provide child care on their own premises.
7380  BUS DRIVERS
9058  FOOD SERVICE OPERATIONS
9015  JANITORIAL OPERATIONS AND CUSTODIAL CARE
8868  PROFESSIONAL EMPLOYEES, TEACHERS
  CHIMNEY CLEANING
5222  INDUSTRIAL SMOKE STACKS
9015  RESIDENCE – BY VACUUM SUCTION
5222  CHIMNEY CONSTRUCTION – NOT METAL
  Includes foundation and applies to stone, brick or concrete chimneys.
  Also includes guniting and lining operations on or off chimneys.
9501 CHINA DECORATING – BY HAND OR MACHINE

0106 CHRISTMAS TREE HARVESTING EXCLUSIVELY – By CONTRACTORS

2041 CHOCOLATE OR COCOA MANUFACTURING – Applies to manufacturing from cocoa beans.

9101 CHURCH

8868 PROFESSIONAL EMPLOYEES

   Includes clergy, assistants, musicians, and choir members.

7380 BUS DRIVERS

9015 JANITORIAL OPERATIONS AND CUSTODIAL CARE

9015 CIRCUS, CARNIVAL OR AMUSEMENT DEVICE OPERATOR – TRAVELING

   The remuneration of employees assigned to this particular classification shall be subject to a minimum of $500 per employee per year and a maximum equal to the maximum amount listed on the miscellaneous values page of this manual for executive officers, active members of an LLC, and traveling carnivals.

2143 CIDER MANUFACTURING

3315 CIGAR AND CIGARETTE LIGHTER MANUFACTURING OR ASSEMBLING

8232 CINDER DEALERS

3179 CIRCUIT BOARD MANUFACTURING OR ASSEMBLY

8742 CLAIMS ADJUSTERS OR SPECIAL AGENTS – Insurance Company

4000 CLAY OR SHALE DIGGING

   No canal, sewer, or cellar excavation or underground mining.

4024 CLAY FLOWER POT MANUFACTURING – PRESS FORMED, HAND MOLDED, OR CAST

1748 CLAY MILLING

4024 CLAY PRODUCTS OR BRICK MANUFACTURING

   Includes the manufacturing of common, face, fire or enameled, pressed or repressed building or paving bricks; sand-lime bricks; structural, fireproofing, drainage, and roofing tiles; wall copings; glazed or unglazed sewer or drain pipes or conduits; pottery; porcelain; flower pots; or similar products including those made from refractory clays with or without other refractory materials. Clay digging, underground mining, or quarrying to be separately rated.

5610 CLEANER – DEBRIS REMOVAL

   Applies only to hand collection of debris and refuse in connection with construction, erection or demolition. Drivers to be separately classified consistent with Manual Rules. Does not apply to the payroll for cleaners except when the payroll for watch guards, timekeepers and cleaners is more than all other payroll of the insured which is subject to construction, erection or demolition classifications at the same job or location.
<table>
<thead>
<tr>
<th>Code</th>
<th>Industry Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2586</td>
<td>DYEING – DRY CLEANING</td>
</tr>
<tr>
<td></td>
<td>Includes repairing or pressing. Not textile piece goods. Collecting or distributing stores, where no cleaning or dyeing is done at the same location, are to be separately rated as Code 8017.</td>
</tr>
<tr>
<td>5213</td>
<td>RENOVATING BUILDING EXTERIORS</td>
</tr>
<tr>
<td>5610</td>
<td>RAILROAD FREIGHT CARS – NOT TANK</td>
</tr>
<tr>
<td>3726</td>
<td>TANKS OR TANK CARS</td>
</tr>
<tr>
<td>8810</td>
<td>CLERICAL OFFICE EMPLOYEES</td>
</tr>
<tr>
<td></td>
<td>Subject to the Special Classifications Rule.</td>
</tr>
<tr>
<td>8018</td>
<td>CLIPPINGS DEALER</td>
</tr>
<tr>
<td></td>
<td>Applies to a dealer in new textile fabrics only. Not rag or paper stock dealers. Dealers in used fabrics shall be assigned to Code 8264.</td>
</tr>
<tr>
<td>3383</td>
<td>CLOCK MANUFACTURING</td>
</tr>
<tr>
<td>4299</td>
<td>CLOTH PRINTING</td>
</tr>
<tr>
<td></td>
<td>Includes printing, silk screening and decal application on fabric items.</td>
</tr>
<tr>
<td>8032</td>
<td>CLOTH SPONGING, SHRINKING, INSPECTION, OR MENDING</td>
</tr>
<tr>
<td>2501</td>
<td>CLOTHING MANUFACTURING</td>
</tr>
<tr>
<td>9061</td>
<td>BEACH</td>
</tr>
<tr>
<td>9060</td>
<td>COUNTRY, GOLF, FISHING, OR YACHT</td>
</tr>
<tr>
<td></td>
<td>The actual remuneration of all caddies shall be included with the payroll of the regular club employees in computing the premium for the risk. If the actual remuneration is not available, the payroll for caddies shall be taken at $40.00 per club member per season subject to a maximum of three hundred members per course of eighteen holes which limit shall be adjusted, pro rata, for larger or smaller courses; provided, however, that if the club is open to the public; one hundred fifty members per course of eighteen holes shall constitute the minimum number of club members, which limit shall be adjusted, pro rata, for larger or smaller courses for the purpose of applying this rule.</td>
</tr>
<tr>
<td>9063</td>
<td>HEALTH</td>
</tr>
<tr>
<td>8279</td>
<td>RIDING</td>
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<td>9060</td>
<td>SKI</td>
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<tr>
<td>9061</td>
<td>SOCIAL</td>
</tr>
<tr>
<td>9061</td>
<td>SHOOTING</td>
</tr>
</tbody>
</table>
9065  TENNIS, RACQUETBALL AND HANDBALL – INDOOR

9060  TENNIS, RACQUETBALL AND HANDBALL – OUTDOOR

9061  NOC

1463  COAL BILLETS OR BRICK MANUFACTURING – Manufacturing of by-products to be separately rated.

7313  COAL DOCK OPERATIONS & STEVEDORING
Applies to coal docks using mechanical apparatus. Not applicable to contract stevedores or coal merchants operating yards.

8232  COAL MERCHANT

2841  COAT HANGER MANUFACTURING – WOOD

2041  COCOA OR CHOCOLATE MANUFACTURING – Applies to manufacturing from cocoa beans.

6504  COCONUT SHREDDING OR DRYING

4712  COD LIVER OIL MANUFACTURING

6504  COFFEE CLEANING, ROASTING OR GRINDING

6217  COFFER–DAM WORK
Pile driving, masonry, or concrete work to be separately rated.

**COFFIN OR CASKET**

4034  MANUFACTURING – CONCRETE

3076  MANUFACTURING OR ASSEMBLY – METAL

2881  MANUFACTURING OR ASSEMBLY – WOOD

9522  UPHOLSTERY AND BURIAL GARMENT Manufacturing

5183  COIL CLEANING – BEER

5192  COIN OPERATED OR VENDING MACHINES INSTALLATION, SERVICE OR REPAIR

4251  COIN WRAPPERS AND CURRENCY STRAP MANUFACTURING

8031  COLD STORAGE LOCKER – FROZEN FOODS
Includes incidental preparation of meats and produce. Slaughtering to be separately rated as Code 2081.

2501  COLLAR MANUFACTURING

9403  COLLECTION OF CONTAINERIZED GARBAGE, ASHES OR REFUSE

7213  DRIVERS IN CONNECTION THEREWITH
8742 COLLECTORS, MESSENGERS OR SALESPERSONS – OUTSIDE

Subject to the Special Classifications Rule.

9101 COLLEGE

8017 BOOK STORE

8832 CLINIC

9058 FOOD SERVICE OPERATION

9015 JANITORIAL OPERATIONS AND CUSTODIAL CARE

8868 PROFESSIONAL EMPLOYEES

4558 COLOR GRINDING, BLENDING OR TESTING

Applies to operations involving dry materials with no handling of flammable, poisonous, caustic, corrosive, or oxidizing materials. Not applicable to the manufacturing of ingredients.

COMPUTER

3574 MANUFACTURING

8810 PROGRAMMING – OFFICE COMPUTERS

5191 PROGRAMMING – MACHINERY-OPERATING COMPUTERS

CONCESSIONS

8017 BEACH CHAIRS AND UMBRELLAS

9015 BOATS IN PARKS

8017 CANDY, POP, ETC.

No cooking other than hot dogs.

8017 CIGARETTE DISTRIBUTION

9058 FOOD

8008 HAT OR COAT CHECK ROOMS

8017 PARCEL OR LUGGAGE CHECK ROOMS

8392 PARKING LOTS OR VALET PARKING

8017 ROLLING CHAIRS

Wheelchairs, Strollers, etc.

8017 SOUVENIRS
CONCRETE CONSTRUCTION

All operations including making and erecting forms, placing reinforcing steel, pouring concrete, and stripping forms, whether done by concrete contractors or by specialist contractors, shall be assigned to the appropriate concrete construction classification. All of the following classifications include the above listed operations;

5222  BRIDGES OR CULVERTS

Applies only when clearance is more than ten (10) feet at any point or entire distance between terminal abutments exceeds twenty (20) feet. Includes scaffolds, false work or concrete distributing apparatus, the manufacturing of concrete piles at the job location, and the pouring of concrete into hollow steel piles. Excavation and pile driving to be separately rated.

5221  FLOORS, DRIVEWAYS, YARDS, OR SIDEWALKS

Self-bearing floors, airport runways, warming aprons, street or road construction to be separately rated.

5213  IGLOO – FOR EXPLOSIVES

Floor construction to be separately rated as Code 5221.

5215  PRIVATE RESIDENCES

Applies only to buildings designed primarily for dwelling occupancy by one or two families and includes garages in connection therewith. Monolithic concrete building construction to be separately rated as Code 5213.

When a poured wall (including a party wall) is, directly or indirectly, constructed for and paid for by a homeowner or residential builder and its ultimate use is for residential purposes (or benefits residential structures) the contractor constructing the wall shall be assigned to Code 5215.

5213  NOC

Includes foundations, false work or concrete distributing apparatus. Excavation, pile driving and all work in sewers to be separately rated.

When a poured wall (including a party wall) is constructed for and paid for by the owner of a commercial building and its ultimate use is only for commercial or industrial or institutional purposes, the contractor constructing the wall shall be assigned to Code 5213.

9529  CONCRETE OR CEMENT DISTRIBUTING TOWERS – INSTALLATION, REPAIR OR REMOVAL

Erection, repair or removal of concrete or cement distributing towers by contractors as an incidental part of their construction work shall be included in the classification with which the work is associated. Use rate of Code 5057 if otherwise.

CONCRETE PRE-CAST

5213  SLAB INSTALLATION – FLOORS OR ROOFS – COMMERCIAL

5215  SLAB INSTALLATION – FLOORS OR ROOFS – RESIDENTIAL STRUCTURAL BEAMS OR GIRDERS – ERECTION

Erection by the concrete construction contractor who is or who is not casting the beams or girders at the job site. Assign the appropriate concrete construction classification

5213  WALL PANEL INSTALLATION
4034  CONCRETE PRODUCTS MANUFACTURING

Applies to shop or yard work only. Includes the manufacturing of concrete blocks, bricks, poles, piles, beams, sewer pipes, tile, or similar products, and may be applied only when the operations are conducted as a commercial enterprise at a permanent location. Not available at a construction site.

CONCRETE READY MIX DEALERS

1. Trucks operated to supply construction work by the insured either carrying pre-mixed concrete or mixing the ingredients during transit.

8227  YARD - Employees at a yard engaged in mixing the concrete prior to transit or loading trucks with ingredients to be mixed during transit.

7380  DRIVERS

2. Trucks operated to supply construction work undertaken by independent contractors either carrying pre-mixed concrete or mixing the ingredients during transit where the insured’s contract involves payment for materials, mixing and trucking:

8232  BUILDING MATERIALS DEALER - YARD - All operations incidental to the pre-mixing of the concrete or the loading of ingredients into trucks which will mix during transit and delivery of concrete.

7380  DRIVERS

3. Trucks operating to supply construction work undertaken by independent contractors either carrying pre-mixed concrete or mixing the ingredients during transit where the insured’s contract involves only trucking of pre-mixed ingredients or trucking including the concurrent mixing in transit:

7219  TRUCKING – NOC – All operations incidental to loading of trucks and delivery of concrete.

7208  DRIVERS IN CONNECTION THEREWITH

2065  CONDENSED MILK MANUFACTURING

9015  CONDOMINIUMS OR COOPERATIVES

All employees engaged in care, custody and maintenance of premises or facilities.

6325  CONDUIT CONSTRUCTION – FOR CABLES OR WIRES

3559  CONFECTION MACHINE MANUFACTURING

2041  CONFECTION MANUFACTURING

9529  CONSTRUCTION ELEVATOR OR HOD HOIST INSTALLATION, REPAIR OR REMOVAL

This code applies when such work is not performed by the construction contractor as an incidental part of the construction. It is rated on a per job basis as follows:

9530  SUSPENDED, SWINGING, OR OUTRIGGER SCAFFOLDS

5057  SCAFFOLDS BUILT UP FROM THE GROUND

5403  SIDEWALK BRIDGES NOT OVER ONE STORY IN HEIGHT
CONTRACTING CLASSIFICATIONS APPLICABLE TO SUBCONTRACTORS ON CONTRACTING JOBS

Consistent with the classification treatment which has generally been observed, subcontracted work shall be classified on the basis of the classification describing the particular type of work involved. Thus, the subcontractor who only performs excavation work in connection with the construction of a sewer would be classified under “Excavation”, Code 6217, rather than under “Sewer Construction”, Code 6306.

The Concrete Construction rule requires that all operations including making and erecting forms, placing reinforcing steel, and stripping forms, when done by subcontractors, shall be assigned to the appropriate concrete construction classification.

These rulings apply only to insured subcontractors. Uninsured subcontractors, covered under the principal contractor’s policy, will continue to be classified on the basis of the classifications which would apply if the work were performed by the principal’s own employees.

CONTAINER RECYCLING – BEVERAGE – BOTTLE OR CAN

No crushing. Crushing operations to be separately rated as Code 8264.

CONTRACTOR – EXECUTIVE SUPERVISOR OR CONSTRUCTION SUPERINTENDENT

1. This classification is available only to executive supervisors or construction superintendents having administrative or managerial responsibility for construction or erection projects. These persons may visit the construction site but may not be located there. Persons who remain at the construction site during the construction operations do not qualify for this code.

2. Executive Supervisors’ or Construction Superintendents’ are defined as those persons exercising supervisory control through job superintendents or foremen.

3. Does not apply to any person who is directly in charge of construction work. Such person shall be assigned to the classification which specifically describes the type of construction or erection operation over which they are exercising direct supervisory control provided separate payroll records are maintained for each operation. Any such operation for which separate payroll records are not maintained shall be assigned to the highest rated classification which applies to the job or location where the operation is performed. Refer to Rule Four. D. 7.

4. Code 5606 is not available for division of a single employee’s payroll with any other classification.

CONTRACTOR’S EQUIPMENT RENTAL

If no operator is provided

If operators are provided - Assign the operators to the classification which would apply if the work were performed by the lessee’s own employees.

CONTRACTOR’S MACHINERY DEALER

Applies to store or yard operations and includes operations away from the premises of demonstration, installation, or repair. Operations away from the premises not listed above are to be separately rated.

CONTRACTOR’S PERMANENT YARD
Applies only to a permanent yard maintained by a construction or erection risk for the storage of material or the storage and maintenance of equipment. Not available at a construction site. Mill operations or fabrication to be separately rated.

**Code 8227** – Contractor’s Permanent Yard is restricted to construction classes (those classes belonging to groups 250 – 279 of the Statistical Plan). It may only be used in connection with those classes. If there are no construction or erection classes on the policy of the insured, it may not be used.

**Code 8227** is not available for use at a temporary yard location established at a job site. Those operations are assigned to the construction classification established for the job. For example, a temporary yard established by a road construction risk would be assigned to Code 5506. Temporary means for the duration of the job even though that may be months or, in some cases, years.

**Code 8227** does not include any fabrication or manufacturing operations except that concrete ready-mix operations conducted for the insured’s own construction operations are included in Code 8227. If other fabrication or manufacturing operations are conducted at the insured’s own location, the appropriate shop or construction classification is assigned. Repair or maintenance of over-the-road vehicles is assigned to Code 8395. Janitorial operations at the insured’s location and repair or maintenance of the insured’s building and grounds are assigned to Code 9015.

Code 8227 is available to any construction or erection risk which has a permanent yard location and keeps the appropriate payroll records. The operations conducted at the yard may include loading and unloading of materials, movement of materials and equipment in the yard, cleaning of equipment and maintenance of equipment.

8829 CONVALESCENT OR NURSING HOME
3066 COOKING UTENSILS MANUFACTURING – STEEL
3724 COOLING TOWER ERECTION – PREFABRICATED WOOD OR METAL
2881 COOPERAGE ASSEMBLY

Stock manufacturing to be separately rated as Code 2731.

2731 COOPERAGE STOCK MANUFACTURING

Applies to the manufacture of heads, hoops or staves. Cooperage assembly to be separately rated as Code 2881.

4279 COP TUBE MANUFACTURING
3315 COPPER OR BRASS GOODS MANUFACTURING
3066 COPPERSMITH
2380 CORDAGE, ROPE OR TWINE MANUFACTURING NOC

**CORK**

2841 BOARD MANUFACTURING AND CORK PRODUCTS MANUFACTURING
2841 CUTTING WORKS
4250 PAPER MANUFACTURING – No paper manufacturing.
4244 CORRUGATED OR FIBER BOARD CONTAINER MANUFACTURING
Paper or paperboard manufacturing to be separately rated.

4611 COSMETICS MANUFACTURING – Not manufacturing ingredients

2380 COTTON BATTING, WADDING OR WASTE MANUFACTURING

3507 COTTON GIN MACHINE MANUFACTURING

8018 COTTON MERCHANT – Includes warehouse or yard employees

2380 COTTON SPINNING AND WEAVING

8018 COTTON STORAGE – Applies to baled cotton.
   Includes warehouse or yard employees.

4611 COUGH DROP MANUFACTURING

8832 COUNSELING AT INSURED’S PREMISES

8835 COUNSELING - SOCIAL WORK – Away from insured’s premises.
   Counseling done at school or church locations may be assigned to Code 8832.

COUNTY EMPLOYEES – SEE “MUNICIPAL”

2016 CRACKER MANUFACTURING

5057 CRANE OR DERRICK INSTALLATION – NOT WITHIN BUILDINGS

2070 CREAMERY
   Includes the manufacture of butter or cheese. Ice cream manufacturing to be separately rated as Code 2065.

9620 CREMATORIAL OPERATION

4000 CULM RECOVERY

2501 CUSHION, PILLOW OR QUILT MANUFACTURING
DAM OR LOCK CONSTRUCTION
5213 CONCRETE WORK – ALL OPERATIONS
Includes work on foundations or the making, setting up or taking down of forms, scaffolds, false work or concrete distributing apparatus. Excavation and pile driving to be separately rated.

6217 EARTH MOVING OR PLACING – ALL OPERATIONS
Includes excavation, borrowing, filling, backfilling, or grading. Pile driving work to be separately rated as Code 5040.

2702 TIMBER REMOVAL

DAY NURSERIES – Refer to “CHILD CARE SERVICES”

8106 DEALERS OF REINFORCING RODS OR BARS
This classification applies to specialty concerns engaged principally in selling, to concrete contractors, reinforcing rods or bars. Some cutting and bending of the rods or bars is performed to meet the specifications of their customers. No concrete construction operations or placing of re-rod work.

7215 DRIVERS IN CONNECTION THEREWITH

5538 DECORATING
Applies to interior work in large auditoriums, convention arenas, malls, etc. as well as to exterior work. Includes the hanging of flags or bunting for conventions or celebrations and seasonal decorations.

4692 DENTAL LABORATORY

8832 DENTIST

DERRICK OR OIL RIG ERECTING OR DISMANTLING – ALL OPERATIONS
5057 METAL
5403 WOOD
7720 DETECTIVE OR PATROL AGENCY
3372 DETINNING
8013 DIAMOND CUTTING OR POLISHING
2585 DIAPER SERVICE
Also applies to infant’s apparel laundry. Route pickup and delivery to be assigned to Code 7380.

1925 DIE CASTING MANUFACTURING
DINNER THEATERS

For the purpose of this classification, a dinner theater is defined as an enterprise preparing and/or serving food and/or refreshments in conjunction with the presentation of theatrical performances by actors and actresses. While the dinner or theatrical performance may be available separately to the public, the dinner theater typically offers both the meal and play as an indivisible product. The following classifications shall apply:

- **9058** FOOD PREPARATION AND SERVICE
- **9015** JANITORIAL OPERATIONS AND CUSTODIAL CARE
- **9156** PLAYERS
- **9154** THEATER

DISPLAY MANUFACTURING

- **4279** CARDBOARD
- **4036** PAPER MACHE
- **2812** WOOD
- **9521** DISPLAY – WINDOW – INSTALLATION

DISTILLING COMPANIES - Samples, advertising circulars, telephone directories, etc.

- **7380** If employees are transported to locations in cars or trucks.
- **8017** If no transportation – assign to applicable basic classification.

DIVING – MARINE

COVERAGE UNDER THE ADMIRALTY LAW

- **7394** PROGRAM I
- **7395** PROGRAM II - STATE ACT
- **7398** PROGRAM II - USL&HW ACT
- **1164** COVERAGE FOR INLAND WATERS ONLY – NO NAVIGABLE WATERS

DOG SHOW

- **8831** KENNEL EMPLOYEES
- **9015** OPERATION

- **4484** DOLL OR DOLL PARTS MANUFACTURING OR ASSEMBLY – PLASTIC
- **2501** DOLL CLOTHING OR CLOTH DOLLS OR CLOTH PARTS MANUFACTURING
Includes dressing of dolls.

**DOMESTIC WORKERS – RESIDENCES. See Basic Manual Rule Thirteen**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>0913</td>
<td>INSIDE</td>
</tr>
<tr>
<td>0908</td>
<td>INSIDE – OCCASIONAL</td>
</tr>
<tr>
<td>0912</td>
<td>OUTSIDE</td>
</tr>
<tr>
<td>0909</td>
<td>OUTSIDE – OCCASIONAL</td>
</tr>
</tbody>
</table>

**DOOR**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>5102</td>
<td>DOOR FRAME OR SASH ERECTION – METAL OR METAL COVERED</td>
</tr>
<tr>
<td></td>
<td>Installation of storm doors or sash in residences, schools, or churches where intended for pedestrian traffic only to be assigned to Code 5645.</td>
</tr>
<tr>
<td>3066</td>
<td>DOOR FRAME, OR SASH MANUFACTURING – WOOD – METAL COVERED</td>
</tr>
<tr>
<td>5102</td>
<td>INSTALLATION – METAL OR METAL COVERED – IN GARAGES – NOT OVERHEAD</td>
</tr>
<tr>
<td>3724</td>
<td>INSTALLATION – OVERHEAD</td>
</tr>
<tr>
<td>3076</td>
<td>MANUFACTURING – METAL</td>
</tr>
<tr>
<td>2802</td>
<td>SASH, OR ASSEMBLED MILLW ORK MANUFACTURING – WOOD</td>
</tr>
<tr>
<td></td>
<td>Where a risk deals in any lumber, building materials, or fuel and materials in addition to products manufactured, all yard operations shall be assigned to Code 8232.</td>
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</tbody>
</table>

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<thead>
<tr>
<th>Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>2003</td>
<td>DOUGHNUT MANUFACTURING</td>
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</tbody>
</table>

**DOUGHNUT SHOP - RETAIL**

Applies to shops engaged in the preparation and sale of doughnuts, coffee or other items for consumption on, or away from, the premises.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>2003</td>
<td>DOUGHNUT PREPARATION EMPLOYEES</td>
</tr>
<tr>
<td>8017</td>
<td>COUNTER EMPLOYEES</td>
</tr>
<tr>
<td>8810</td>
<td>DRAFTING EMPLOYEES</td>
</tr>
<tr>
<td></td>
<td>Subject to the Special Classifications Rule.</td>
</tr>
<tr>
<td>6229</td>
<td>DRAINAGE OR IRRIGATION SYSTEM CONSTRUCTION</td>
</tr>
<tr>
<td></td>
<td>Pile driving, dredging, tunneling, or dam or sewer construction to be separately rated.</td>
</tr>
</tbody>
</table>

**DRAPERIES OR CURTAINS**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2501</td>
<td>MANUFACTURING</td>
</tr>
</tbody>
</table>
DREDGING

COVERAGE UNDER ADMIRALTY LAW

7333
PROGRAM I

7335
PROGRAM II - STATE ACT

7337
PROGRAM II – USL&HW ACT

4000
COVERAGE ON INLAND WATERS – NO NAVIGABLE WATERS

4036
DRESS FORM MANUFACTURING

4557
DRESSING OR POLISH MANUFACTURING

2503
DRESSMAKING OR TAILORING – CUSTOM – EXCLUSIVELY

Not manufacturing.

6235
DRILLING OR RE-DRILLING OF OIL OR GAS WELLS AND INSTALLATION OF CASING

6204
DRILLING NOC

7380
DRIVERS AND/OR CHAUFFEURS NOC – COMMERCIAL

Subject to the Special Classifications Rule. This code applies to drivers for whom no specific code is listed under “DRIVERS IN CONNECTION WITH”.

An important distinction between Code 7380 and trucking classifications such as Code 7208 is that trucking classifications are generally applicable to the transportation of goods not owned by an insured; whereas, Code 7380 generally is applicable to the driving of vehicles and/or the transportation of goods owned by an insured.

DRIVERS IN CONNECTION WITH

All of the driver codes listed here are subject to the Special Classifications Rule.

7213
ASHES, GARBAGE, OR REFUSE COLLECTION

7422
AUTOMOBILE RACING

7210
BEER OR ALE DEALER – WHOLESALE

7212
BUS CO OR STREET RAILROAD OR LIMOUSINE CO – SCHEDULED

7214
FURNITURE MOVING AND STORAGE

7215
IRON OR STEEL MERCHANT

7216
IRON OR STEEL SCRAP DEALER
7218  JUNK DEALER
7218  METAL SCRAP DEALER
7218  RAG OR PAPER STOCK DEALER - USED
7220  TAXICAB CO OR LIMOUSINE CO – NON-SCHEDULED

TRUCKING

7202  MAIL, PACKAGE, OR PARCEL DELIVERY
7206  PARCEL OR PACKAGE DELIVERY
7208  NOC

4611  DRUG, MEDICINE OR PHARMACEUTICAL PREPARATION – NO MANUFACTURING OF INGREDIENTS

Applies to compounding, blending or packing operations only Metal container manufacturing to be separately rated as Code 3315.

DRY DOCK

6801  CONSTRUCTION

OPERATION

Refer to “Ship Repair or Conversion”

5445  DRYWALL INSTALLATION – INCLUDES TAPEING

4829  DYE OR DYE INTERMEDIATE MANUFACTURING

2586  DYEING OR CLEANING – DRY CLEANING

Includes repairing or pressing. Not textile piece goods. Collecting or distributing stores, no cleaning or dyeing at the same location, to be separately rated as Code 8017.
<table>
<thead>
<tr>
<th>Code #</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>4024</td>
<td>EARTHENWARE OR TILE MANUFACTURING NOC</td>
</tr>
<tr>
<td></td>
<td>Includes the manufacturing of common, face, fire or enameled, pressed or repressed building or paving bricks; sand-lime bricks; structural, fireproofing, drainage, and roofing tiles, wall copings; glazed or unglazed sewer or drain pipes or conduits; pottery; porcelain; flower pots; or similar products including those made from refractory clay with or without other refractory materials. Clay digging, underground mining, or quarrying to be separately rated.</td>
</tr>
<tr>
<td>7539</td>
<td>ELECTRIC LIGHT OR POWER</td>
</tr>
<tr>
<td></td>
<td>CO NOC</td>
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<tr>
<td></td>
<td>Construction of buildings, dams or reservoirs to be separately rated.</td>
</tr>
<tr>
<td>7540</td>
<td>COOPERATIVE – REA PROJECT ONLY</td>
</tr>
<tr>
<td></td>
<td>Construction of building, dams, or reservoirs to be separately rated.</td>
</tr>
<tr>
<td>7538</td>
<td>LINE CONSTRUCTION</td>
</tr>
<tr>
<td></td>
<td>Includes contractors who are engaged in erection of poles exclusively and contractors who are engaged in clearing right-of-way in addition to the erection of poles and/or stringing lines.</td>
</tr>
<tr>
<td></td>
<td>Contractor who are engaged in clearing right-of-way only are to be separately rated under Code 6217. Specialist contractors engaged in tree pruning to be separately rated under Code 0106.</td>
</tr>
<tr>
<td>3179</td>
<td>ELECTRIC OR GAS LIGHTING FIXTURES MANUFACTURING</td>
</tr>
<tr>
<td>3643</td>
<td>ELECTRIC POWER OR TRANSMISSION EQUIPMENT MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Includes the manufacturing or repair of motors, generators, convertors, transformers, switchboards, circuit breakers, switches, control panels or switchboard apparatus or incidental equipment.</td>
</tr>
<tr>
<td>3179</td>
<td>ELECTRIC RAZOR MANUFACTURING OR REPAIR</td>
</tr>
<tr>
<td>3724</td>
<td>ELECTRICAL APPARATUS INSTALLATION OR REPAIR</td>
</tr>
<tr>
<td></td>
<td>Code 3724 shall not be assigned to employees of insured engaged in the installation or repair of electrical apparatus on the premises of the insured.</td>
</tr>
<tr>
<td></td>
<td>Erection of poles, stringing of wires, installation of service transformers on poles or on the outside of buildings, or the making of service connections are to be separately rated as Code 7538.</td>
</tr>
<tr>
<td>3179</td>
<td>ELECTRICAL APPARATUS MANUFACTURING NOC</td>
</tr>
<tr>
<td></td>
<td>Includes electrical fixtures and appliances.</td>
</tr>
<tr>
<td>3681</td>
<td>ELECTRICAL CORD SET, RADIO, OR IGNITION HARNESS ASSEMBLY</td>
</tr>
<tr>
<td>8010</td>
<td>ELECTRICAL HARDWARE STORES – WHOLESALE OR RETAIL</td>
</tr>
<tr>
<td>5190</td>
<td>ELECTRICAL WIRING – WITHIN BUILDINGS</td>
</tr>
</tbody>
</table>
This classification includes the incidental installation or repair of electrical apparatus when performed by the same contractor who performs the electrical wiring operations. Installation of electrical machinery or auxiliary apparatus to be separately rated as Code 3724.

3372 ELECTROPLATING
4299 ELECTROTYPING

ELEVATOR
5102 DOOR BUCKS INSTALLATION
5160 ERECTION OR REPAIR
8720 INSPECTING
9519 INSTALLATION – RESIDENTIAL – STAIR LIFTS
3507 OR ESCALATOR MANUFACTURING
5160 SERVICING – OILING, ADJUSTING AND MAINTENANCE
2380 EMBROIDERY MANUFACTURING
4279 EMERY CLOTH MANUFACTURING
1748 EMERY WORKS

Applies to crushing or grinding. Digging, mining, or quarrying to be separately rated.

ENGINE MANUFACTURING
3629 AIRCRAFT
3827 AUTOMOBILE
3827 OUTBOARD MOTORS
3612 NOC
8601 ENGINEER OR ARCHITECT – CONSULTING

Does not apply when engaged in actual construction.

4351 ENGRAVING
9156 ENTERTAINERS, PLAYERS, OR MUSICIANS
4251 ENVELOPE MANUFACTURING
3507 ESCALATOR OR ELEVATOR MANUFACTURING
4825 ESSENTIAL OILS MANUFACTURING AND DISTILLATION
6217 EXCAVATION NOC
Includes borrowing, filling, backfilling, and rock excavation. Grading or excavating in connection with street or road construction or pile driving to be separately rated.

2731  EXCELSIOR MANUFACTURING

9063  EXERCISE OR HEALTH INSTITUTE

9015  EXHIBITION OR AMUSEMENT OPERATION

EXPLOSIVES OR AMMUNITION MANUFACTURING

3628  CARTRIDGE COMPONENT MANUFACTURING – SMALL ARMS
   Cartridge case manufacturing to be separately rated. Insertion of percussion caps or primers, loading, or testing with explosives to be separately rated.

3628  CARTRIDGE MANUFACTURING OR ASSEMBLY – SMALL ARMS
   Explosives or fulminate manufacturing to be separately rated.

3315  CARTRIDGE OR SHELL CASE MANUFACTURING – METAL
   Insertion of percussion caps or primers, loading or testing with explosives to be separately rated.

3632  PROJECTILE OR SHELL MANUFACTURING
   Includes incidental “nosing in”. Not cartridge or shell case manufacturing. Forging or casting of shapes or loading or testing with explosives to be separately rated.

4829  NOC
   Includes bag loading; black powder manufacturing; cap, primer, fuse, booster, or detonator assembly; cartridge charging or loading; fireworks manufacturing; high explosives manufacturing; projectile, bomb, mine, or grenade loading; shell case loading (20mm and over); smokeless powder manufacturing; and any other explosives or ammunition manufacturing or assembling operations not otherwise classified above. Fireworks exhibitions to be separately rated as Code 9015.

8010  EXPLOSIVES DISTRIBUTORS

   EXPRESS COMPANY
      Refer to “TRUCKING”.

9015  EXTERMINATOR
   Includes termite control. Carpentry repair or use of poisonous gases to be separately rated.

4825  EXTRACT MANUFACTURING
   Includes dyewood, licorice, tanning, perfumery, medicinal, or flavoring and includes distillation of essential oils.
F

Code # Classification

9501  FABRIC COATING OR IMPREGNATING NOC

Includes the coating or impregnating of fabrics with oils, varnishes, lacquers, plastics or rubber.

8803  FACTORY COST OR OFFICE SYSTEMATIZER, ACCOUNTANT OR AUDITOR TRAVELING

FARM

For definition refer to the Basic Manual Rule Nine - G. The following farm products are listed alphabetically with the appropriate classification for that product. Cultivation by hand exclusively, including hoeing and weeding, will be assigned to Code 0011, regardless of crop. These classifications apply to farming and agricultural operation

0034  ANIMAL RAISING

Applies to fur bearing animals.

0011  BERRY OR VINEYARD

0129  CATTLE OR LIVESTOCK RAISING NOC

Includes buffalo, cattle, goats, hogs, sheep, and other stock farms with the exception of horses which are to be separately rated as Code 8279.

0129  DAIRY

0034  EGG OR POULTRY PRODUCER

Includes eggs, chickens, turkeys, and other birds.

0128  FIELD CROPS

Includes alfalfa, barley, clover, corn, grain, hay, hops, millet, oats, rice, timothy, tobacco, wheat and farms not otherwise classified.

0034  FISH HATCHERY

0035  FLORIST – CULTIVATING

Includes bulbs and flowers grown in fields.

0141  FRUIT AND VEGETABLE PACKING AND HANDLING

Applies to an agricultural employer only when the following conditions are met:

1. Payroll of employees engaged in packaging, washing, grading, and sorting must equal or exceed $50,000 per year or exceed that of the entire farming operation.

2. Payroll records must be maintained showing complete division of payroll between farming activities and the fruit and vegetable packing operation.

3. The fruit and vegetable packing operation must be concluded on the farm premises.

0011  GARDENING – MARKET OR TRUCK
Includes asparagus; beans, both dry and green; beets, both sugar and table; berries; broccoli; brussel sprouts; cabbage; cantaloupes; carrots; cauliflower; celery; corn, sweet; cucumbers; dill; garlic; grapes; horseradish; kale; lettuce; melons; mint; mustard; onions, both dry and green; parsnips; peas, both dry and green; peppermint; peppers; potatoes; pumpkins; radishes; rhubarb; rutabagas; spinach; squash; tomatoes; turnip; watermelons; and other garden crops for human consumption.

0129 GOAT OR SHEEP RAISING

0034 HATCHERY

No farming operations

0129 LIVESTOCK OR CATTLE RAISING – NOC

Not horses.

0011 MARKET OR TRUCK – See “GARDENING”

0005 NURSERY

Includes Christmas trees, grass seed, holly, sod, and the growing of shrubs and trees for resale.

0130 ORCHARD

Includes apples, cherries, figs, nuts, peaches, pears, plums, and other crops harvested from trees including turpentine.

0034 POULTRY OR EGG PRODUCER

0129 SHEEP OR GOAT RAISING

8279 STABLE OR BREEDING FARM

Applies to horses. Includes training of race horses, polo ponies and horses for exhibition purposes. Includes jockeys and trainers.

0106 TREE PRUNING, spraying, repairing, trimming or fumigating

Does not apply to the operations of an orchard when done by the orchard’s employees.

0011 VEGETABLE

0011 VINEYARD OR BERRY

0128 NOC

8116 FARM MACHINERY DEALER

Includes demonstration and repair of farm machinery. Parts department to be separately rated as Code 8010.

FARM MACHINERY OPERATION

The operations of farm machinery as a service to others is assignable to the code applicable to the farm where the machinery is being operated.

3131 FASTENER OR BUTTON MANUFACTURING – METAL
FEATHER
2586 DYEING
2501 OR FLOWER MANUFACTURING – ARTIFICIAL
2501 PILLOW MANUFACTURING
8018 WASHING, STEAMING, CLEANING, AND RENOVATING
8215 FEED, HAY, OR GRAIN DEALER AND LOCAL MANAGER
0129 FEED LOTS – CATTLE
2014 FEED MANUFACTURING
1624 FELDSPAR MINING
9501 FELT OR BUILDING OR ROOFING PAPER PREPARATION
   Paper or felt manufacturing to be separately rated.
2380 FELTING MANUFACTURING

FENCE
6400 ERECTION – METAL
5403 ERECTION – WOOD – COMMERCIAL
5645 ERECTION – WOOD – RESIDENTIAL
3257 MANUFACTURING – WIRE
2802 MANUFACTURING – WOOD
4583 FERTILIZER MANUFACTURING
   Not rendering or garbage works. Includes dry mixing plants.
4244 FIBER BOARD CONTAINER MANUFACTURING
2790 FIBER FURNITURE MANUFACTURING
4239 FIBER GOODS MANUFACTURING
8292 FIELD BONDED WAREHOUSING
3113 FILE MANUFACTURING
4251 FILING FOLDERS OR INDEXING DEVICES MANUFACTURING
4360 FILM EXCHANGE
4361 FILM PRINT SHOPS
Developing and printing of films

**FIRE ALARM**

5191 INSTALLATION OR REPAIR

3179 SIREN MANUFACTURING

5102 FIRE DOOR INSTALLATION

5102 FIRE ESCAPE INSTALLATION

5188 FIRE EXTINGUISHING SYSTEMS – DRY CHEMICAL – INSTALLATION AND SERVICE

7704 FIRE PATROL OR PROTECTIVE CORPS – NOT SALVAGAE OPERATIONS

7704 FIREFIGHTERS

When part-time or volunteer firefighters are employed, the actual remuneration of all such persons shall be included with the payroll of regular firefighters in computing the premium. In no case, however, shall the remuneration of any such firefighters be taken at less than $400 per person per year.

When the employer elects Waiver of Coordination of Benefits for volunteers under this classification use Code 7904.

5022 FIREPLACE CONSTRUCTION

3076 FIREPROOF EQUIPMENT MANUFACTURING

Includes metal furniture, filing equipment, and incidental woodworking. Separately rate: manufacturing of fireproof doors or shutters which are wood covered with metal, or structural or reinforcing materials.

5022 FIREPROOF TILE SETTING

9015 FIREWORKS EXHIBITION

2095 FISH CURING OR SMOKING – NO WORK BY SHIP’S CREW

4712 FISH OIL MANUFACTURING

4902 FISHING ROD AND TACKLE MANUFACTURING

5146 FIXTURES or Furniture INSTALLATION – PROTABLE – NOC

Applies to installation in offices, stores, etc.

5538 FLAGS AND BUNTING ERECTION

3179 FLASHLIGHT MANUFACTURING OR ASSEMBLING

2380 FLAX SPINNING AND WEAVING

1748 FLINT OR SPAR GRINDING

3724 FLOOD LIGHTS

Erection of temporary floodlights
FLOOR COVERING

9521 INSTALLATION

Applies to linoleum, resilient tile, and carpet. Ceramic tile installation to be separately rated as Code 5348.

8017 STORE – RETAIL – CARPETS, RUGS, LINOLEUM, TILE

8018 STORE – WHOLESALE – CARPETS, RUGS, LINOLEUM, TILE

FLOOR LAYING

9521 LINOLEUM, RESILIENT TILE, CARPET

5221 MASTIC FLOOR MIX – CONCRETE

If not concrete, use Code 9521.

5437 PARQUET

5438 TILE – CERAMIC, TERRAZZO OR TERRAZZO-LIKE, OR STONE

5437 FLOOR SANDING OR SCRAPING – WOOD FLOORS

9015 FLOOR WAXING OR POLISHING

2731 FLOORING MANUFACTURING – WOOD

8001 FLORIST – STORE

Applies to retail, wholesale, or combined retail and wholesale dealers.

Includes service away from store premises. Cultivating or gardening to be separately rated as Code 0035. Includes risks which offer a service of caring for plants at commercial or residential locations.

6504 FLOUR MIXING AND BLENDING

No milling

1164 FLUORSPAR MINING

4250 FLY PAPER MANUFACTURING

9058 FOOD SERVICE OPERATIONS

Applicable to such operations when conducted for benefit of an employer’s employees or when conducted as part of the operation of hospitals, nursing homes, homes for the aged, hotels, motels, schools, colleges, clubs, logging and lumbering or mining camps. Also applicable to restaurants and all other Food Service Operations.

6504 FOOD SUNDRIES MANUFACTURING – NOC

No cereal milling. Includes cleaning, grinding, sorting or mixing of coffee, sugars, pastry flours, spices, or nuts.

4902 FOOTBALL OR BASKETBALL MANUFACTURING

7704 FOREST FIRE FIGHTING
FOREST RANGERS

FORGING WORK

Drop or Machine. Includes trimming.

FOUNDRY

DIE CASTING

INVESTMENT CASTING – METAL – LOST WAX PROCESS

FERROUS – NOC

Includes grey iron and cast iron.

NON-FERROUS

STEEL CASTINGS

Investment Casting – Metal – Lost Wax Process

Includes grey iron and cast iron.

FREIGHT HANDLING OPERATIONS

The U.S. Longshore & Harbor Workers’ Compensation Act (USL&HW Act) was extended in 1972 to contemplate operations conducted in or on various shore side areas. Its scope and application have been subject to interpretation by the courts and by administrative bodies.

Because of the questions concerning the application of the USL&HW Act, the following is intended to serve as a guide in assigning the freight handling classifications. This is provided only as a guideline and is not intended to be an interpretation of the application of the USL&HW Act.

Two classifications are applicable to freight handling operations. These classifications include freight checkers. Stevedoring to be separately rated.

For operations subject to the USL&HW Act, providing that such coverage has been endorsed to the policy, Code 7350F applies to the handling of cargo, incidental to the loading or unloading of vessels, on piers or adjoining areas or in terminals. Operations contemplated by this classification include stuffing and stripping containers, other processing of waterborne cargo and loading and unloading trucks and railroad cars on piers or in adjoining areas or terminals. This classification applies to separate employees who are engaged in moving cargo from any point which is removed from and not connected with the hazards of the sling in loading and unloading vessels. The storage, maintenance or repair of nets, slings, forklift trucks, or other equipment by insured’s engaged in freight handling or stevedoring operations shall be assigned to this classification, even though such operations are conducted at a separate location.

The classification applicable to freight handling operations subject to coverage only under a state compensation act, Code 7360, applies to operations conducted at railroad yards, airports, or warehouses not located on piers or in terminals or areas adjoining piers.

NOC – OR FREIGHT HANDLING – PACKING, HANDLING, OR SHIPPING EXPLOSIVES OR AMMUNITION – UNDER CONTRACT – COVERAGE UNDER U.S. ACT
FROZEN FOOD PRODUCTS MANUFACTURING

A review has been made of the classification procedures applicable to risks engaged in the freezing of products such as fruits, vegetables, meat, poultry, fish, bakery products, etc.

Investigations have disclosed that the freezing operations of themselves do not change the fundamental characteristics of the risk. Therefore, it has been ruled that the processing of frozen food products shall be assigned to the classification which otherwise would apply if the product was not frozen. Illustrative examples of this principle follow:

1. A baker mixes ingredients to produce frozen products - Assign to Code 2003 - Bakery

2. A dealer in meat, fish, or poultry freezes all or part of such products - Assign to the appropriate dealer classification.

3. A risk receives, cleans, processes, and freezes vegetables or fruits, the operations preliminary to freezing being similar to the comparable operations in a cannery - Assign to Code 2111 - Cannery - NOC.

4. A dealer in fruits or vegetables receives, sorts, cleans, and freezes its products without processing such as performed by a cannery or a fruit evaporating or preserving risk - Assign to the appropriate dealer classification.

2111 FRUIT EVAPORATING OR PRESERVING

Includes jam, jelly, or cooked fruit syrup manufacturing. No fruit juice manufacturing. Can manufacturing to be separately rated as Code 3315.

2143 FRUIT JUICE MANUFACTURING

Can manufacturing to be separately rated as Code 3315.

2105 FRUIT PACKING

Fruit evaporating or preserving and canneries to be separately rated as Code 2111. If done on farm premises, see also Code 0141 and 0130.

8232 FUEL AND MATERIAL DEALER – NOC

Applicable to risks dealing in at least three of the following classifications of materials:

1. Coal, fuel oil, wood or ice.

2. New building materials including lumber.

3. Hay, grain, feed or seed.

4. Agricultural implements.

Grain elevator operations to be separately rated as Code 8304.

3612 FUEL PUMP MANUFACTURING – AUTO
9620  FUNERAL DIRECTOR

Applies to the operation of a funeral home.

**FUR CLOTHING**

2586  CLEANING, TUMBLING, GLAZING, COMBING, AND IRONING

2501  MANUFACTURING

2503  FUR COAT AND JACKET MANUFACTURING – CUSTOM MADE

2501  FUR DRESSING OR DYEING

2501  FUR MANUFACTURING – PREPARING SKINS

Hatters’ fur manufacturing to be separately rated as Code 2623.

2501  FUR POINTING

5550  FURNACE CLEANING

5550  FURNACE INSTALLATION – ALL TYPES

2501  FURNISHING GOODS MANUFACTURING NOC

Includes wearing apparel, draperies, or household furnishings made from textile fabrics.

**FURNITURE**

2881  ASSEMBLY – WOOD

From manufactured parts. Includes finishing.

3076  MANUFACTURING – METAL

3040  MANUFACTURING – WROUGHT IRON

8293  MOVING AND STORAGE

7214  DRIVERS IN CONNECTION THEREWITH

5146  OR FIXTURES INSTALLATION – PORTABLE – NOC

Applies to installation in offices, stores, etc.

8044  RENTAL – INCLUDES CHAIRS, COAT RACKS, TABLES, SOFAS, ETC

2731  STOCK MANUFACTURING – WOOD

9522  UPHOLSTERING

2501  FURRIERS – REPAIRING OR REMODELING FUR GARMENTS
G

Code # Classification

8392 GARAGES – PARKING

9403 GARBAGE, ASHES OR REFUSE COLLECTION

Includes collecting in containers.

7213 DRIVERS IN CONNECTION THEREWITH

1438 GARBAGE WORKS

Applies to reduction or incineration.

3076 GARMMENT RACK MANUFACTURING – METAL

3724 GAS BENCH AND RETORT INSTALLATION

7502 GAS COMPANY: LPG OR NATURAL GAS – LOCAL DISTRIBUTION

8350 GAS DEALER: LPG

5040 GAS HOLDER ERECTION

6319 GAS MAIN OR CONNECTION CONSTRUCTION

Includes tunneling at street crossings when not performed under pressure. All other tunneling to be separately rated.

3574 GAS METER MANUFACTURING

8111 GAS, STEAM, AND HOT WATER APPARATUS SUPPLIES DEALER

GAS WELL OR PIPELINE

Refer to “OIL OR GAS”

GASKET OR WASHER MANUFACTURING – NOT METAL

4279 DIE CUT

3400 STAMPED BY PUNCH PRESS

GASOLINE

8350 OIL DEALER

Retail gasoline stations to be separately rated as either Code 8387 or Code 8381.

The work involved in maintaining stations owned by the distributing company, but leased to others is to be classified under Code 9015. Such work involves operations such as inspection of the premises; maintenance of lavatories; painting the interior and exterior of the buildings; and in general keeping the premises in an attractive condition.

3724 PUMP INSTALLATION
4712  RECOVERY
Applies to recovery from casing head or natural gas.

8387  STATION – RETAIL – NOC
Includes retail diesel stations.

8381  STATION – RETAIL – SELF SERVICE
This classification applies only to retail gasoline stations when:
1. The customer pumps the gasoline and otherwise services the vehicle.
2. The only employee subject to the code is the cashier situated in a physically separated structure, who controls the pumps from within by remote control and receives payment from the customer.
3. The employee engages in no other duties on or about the premises that are normal to the operations of a conventional gasoline station.

Gasoline stations which provide combined full service and self-service operations shall be assigned to Code 8387.

COMBINATION SELF-SERVICE GASOLINE STATIONS AND STORES
The appropriate store classification shall apply at each location when the following conditions exist:
1. The sale of gasoline is controlled from within the store.
2. The sale of merchandise, other than gasoline, exceeds 10% of the total annual receipts for the location.

Unless these conditions are met, Code 8381 shall apply; however, if the store classification carries a higher rate than Code 8381, the appropriate store classification will apply.

When separate self-service gasoline station activities and store activities are conducted at a single location and employees do not interchange, the self-service gasoline station classification and the appropriate store classification shall apply to each of the respective operations.

7502  GASWORKS
3635  GEAR MANUFACTURING OR GRINDING

GELATIN MANUFACTURING

6504  FOOD PRODUCT
4712  NOT FOOD

GEOPHYSICAL EXPLORATION

7380  NOC
Core drilling to be separately rated as Code 6204.

8601  SEISMIC
Drilling operations to be separately rated as Code 6204.
GLASS

4131 GLASS MANUFACTURING

Includes rolled, cut, polished plate, or blown sheet window glass. Includes the manufacturing of ribbed, colored, figured, or wire glass. Digging or quarrying to be separately rated. Includes stained glass window manufacturing.

4130 MERCHANT

Includes bending, grinding, beveling, or silvering of plate glass. Includes the manufacturing of thermal glass panes.

4131 GLASSWARE MANUFACTURING

Digging or quarrying to be separately rated.

5462 GLAZIER – AWAY FROM SHOP

GLOVE

2501 LINING MANUFACTURING

4902 MANUFACTURING – SPORTS

Includes baseball, boxing, handball, and punching bag gloves.

2501 MITTEN MANUFACTURING

Includes knit, leather, or textile. Tanning of leather or manufacturing of textile fabric or yarn to be separately rated. Not sports gloves.

4712 GLUE MANUFACTURING

3383 GOLD LEAF MANUFACTURING

GOLF

4902 CLUBS – MANUFACTURING OR ASSEMBLING

9060 COURSES

Refer to “CLUBS – COUNTRY, GOLF, ETC”

6217 GRADING OF LAND – NOC

Includes borrowing, filling, or backfilling. Separately rate: grading or excavation in connection with street or road construction and pile driving work.

8304 GRAIN ELEVATOR OPERATION

Floating elevators to be separately rated under the appropriate vessel classification.

8215 GRAIN, FEED, OR HAY DEALER

2014 GRAIN MILLING
5403  GRANDSTAND OR BLEACHER ERECTION – PORTABLE – WOOD OR METAL

1624  GRAPHITE MANUFACTURING

   Not artificial. Artificial graphite manufacturing to be separately rated as Code 1438.

4000  GRAVEL OR SAND DIGGING

   No canal, sewer, or cellar excavation or underground mining. Includes dredging done on inland waters only.

4712  GREASE OR OIL MIXING OR BLENDING

   No rendering or petroleum refining. Can manufacturing to be separately rated as Code 3315. Includes glue, paste, & mucilage manufacturing.

1624  GRINDSTONE MANUFACTURING

2014  GRIST MILL

GROUTING

6204  DRILLING OF HOLES

5213  PLACING OF CEMENT OR PLASTIC COMPOUND

5213  GUNITING – NOT CHIMNEYS – ALL OPERATIONS

   Guniting on chimneys to be separately rated as Code 5222.

2841  GUNSTOCK MANUFACTURING

9063  GYMNASIUMS AND HEALTH CLUBS
<table>
<thead>
<tr>
<th>Code #</th>
<th>Classification</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2501</td>
<td>HAIR GOODS MANUFACTURING</td>
<td>Applies to products made from human hair.</td>
</tr>
<tr>
<td>2501</td>
<td>HAIR – PREPARATION FOR BRUSHES</td>
<td></td>
</tr>
<tr>
<td>3146</td>
<td>HARDWARE MANUFACTURING NOC</td>
<td>This classification may include stamping press operations as well as machining operations. See also “METAL GOODS MANUFACTURING NOC” and “BUTTON OR FASTENER MANUFACTURING”.</td>
</tr>
<tr>
<td>4902</td>
<td>HARNESS OR SADDLE MANUFACTURING</td>
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<tr>
<td>2501</td>
<td>HAT FRAME MANUFACTURING – LADIES – FROM BUCKRAM</td>
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<tr>
<td>2501</td>
<td>HAT MANUFACTURING</td>
<td>Includes blowing, starting or forming of felt hat shapes, Hatters’ fur manufacturing to be separately rated as Code 2623.</td>
</tr>
<tr>
<td>2623</td>
<td>HATTERS’ FUR MANUFACTURING</td>
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<tr>
<td>8215</td>
<td>HAY, GRAIN, OR FEED DEALER</td>
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<tr>
<td>9063</td>
<td>HEALTH OR EXERCISE INSTITUTE</td>
<td></td>
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<tr>
<td>8013</td>
<td>HEARING AID STORES</td>
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<tr>
<td>3306</td>
<td>HEAT TREATING – METAL BY ELECTRICAL INDUCTION PROCESS</td>
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<tr>
<td>3307</td>
<td>NOC</td>
<td></td>
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<tr>
<td>3081</td>
<td>HEATER OR RADIATOR MANUFACTURING</td>
<td>Applies to cast iron heaters or radiators.</td>
</tr>
<tr>
<td>2841</td>
<td>HEEL MANUFACTURING – WOOD</td>
<td>Covering to be separately rated.</td>
</tr>
<tr>
<td>2380</td>
<td>HEMP OR JUTE SPINNING OR WEAVING</td>
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</tr>
<tr>
<td>9053</td>
<td>HOME FOR THE AGED</td>
<td>Code 9053 is applicable to enterprises which are operated under a state license which identifies the holder as a “Home for the Aged” or “Adult Foster Care Facility”.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Code 9058 is applicable to employees engaged in food preparation and dining room service, but it does not extend to those employees providing room service which is part of code 9053. Those employees providing room service shall be assigned in accordance with the rule on division of a single employee’s payroll.</td>
</tr>
</tbody>
</table>
HOME IMPROVEMENT CENTER

8058 STORE EMPLOYEES

8232 YARD AND WAREHOUSE EMPLOYEES

Home improvement centers are defined as building material dealers characterized by an extensive store operation handling a wide variety of products in addition to building materials and related hardware items.

8835 HOMEMAKER SERVICE

Applies to organizations providing home help services to families with children, convalescent, aged, acutely or chronically ill or disabled persons.

1748 HONE OR OIL STONE MANUFACTURING

Quarrying to be separately rated.

3146 HORSE SHOE MANUFACTURING

Steel making or rolling mills to be separately rated.

HORSE SHOW

9015 OPERATION

8279 STABLE EMPLOYEES

2380 HOSE MANUFACTURING

Woven fire hose from linen thread.

9040 HOSPITAL

This classification applies only to risks that qualify as hospitals under the state statutes controlling the licensing of hospitals. A risk cannot qualify for Code 8833 and/or Code 9040 unless such license is in force. Nursing or convalescent homes and county medical care facilities are to be separately rated as Code 8829. This classification is also assigned to employees of temporary employment services supplying temporary help to hospitals.

8833 PROFESSIONAL EMPLOYEES

In general this includes all persons directly caring for the patients such as doctors, nurses, aides, orderlies, x-ray personnel, and lab personnel involved with taking samples.

9058 FOOD SERVICE OPERATIONS

9015 JANITORIAL OPERATIONS AND CUSTODIAL CARE

This includes building and grounds maintenance, security, and janitorial persons cleaning common areas. Housekeeping personnel cleaning rooms and changing linens are to be assigned to Code 9040.

8831 HOSPITAL – VETERINARY
9052  HOTEL OR MOTEL

Employees of concessionaires or independent contractors operating on the premises of the hotel are to be separately rated. Any employees working in both the hotel and restaurant operations, such as bellhops engaged in room service shall be subject to the division of a single employee’s payroll rule.

Code 9052 includes employees such as desk clerks, maids, housemen, etc.

9058  FOOD SERVICE OPERATIONS

Contemplates employees engaged in food service or beverage operations only, such as, but not limited to, waiters, waitresses and their assistants, cooks, kitchen help, bartenders, cashiers, restaurant managers, etc.

9015  JANITORIAL OPERATIONS AND CUSTODIAL CARE

Includes building and grounds maintenance, security, and janitorial persons cleaning common areas. Employees engaged in cleaning rooms and changing linens are to be assigned to Code 9052.

9521  HOUSE FURNISHINGS INSTALLATION – NOC AND UPHOLSTERING

Includes the installation of carpet, linoleum, resilient tile, curtains, drapes, blinds, etc. and upholstering done at the customer’s location. Also applicable to the installation of mirrors and bathtub or shower enclosures.

9519  HOUSEHOLD APPLIANCES – INSTALLATION, SERVICE, OR REPAIR

Electrical wiring or the installation of gas lines to be separately rated.

9015  HOUSING AUTHORITY

Applies to all employees of housing authorities operating completed public housing projects except employees subject to the Special Classifications.

New construction or major alterations involving demolition and rebuilding to be separately rated.

4825  HYDROGEN OR OXYGEN MANUFACTURING

Includes tank charging.
<table>
<thead>
<tr>
<th>Code #</th>
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<tbody>
<tr>
<td>3076</td>
<td>ICE CREAM</td>
</tr>
<tr>
<td></td>
<td>CABINET MANUFACTURING</td>
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<tr>
<td>2016</td>
<td>CONE MANUFACTURING</td>
</tr>
<tr>
<td>2065</td>
<td>MANUFACTURING</td>
</tr>
<tr>
<td>8232</td>
<td>ICE DEALER</td>
</tr>
<tr>
<td>4131</td>
<td>INCANDESCENT LAMP MANUFACTURING</td>
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<tr>
<td>4825</td>
<td>INCENSE MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>INCUBATOR MANUFACTURING</td>
</tr>
<tr>
<td>3076</td>
<td>METAL</td>
</tr>
<tr>
<td>2812</td>
<td>WOOD</td>
</tr>
<tr>
<td>4557</td>
<td>INK MANUFACTURING</td>
</tr>
<tr>
<td>4251</td>
<td>INKED RIBBON PREPARATION</td>
</tr>
</tbody>
</table>

Paper or cloth manufacturing to be separately rated.

INSPECTORS, SAMPLES OR WEIGHTS OF MERCHANDISE ON VESSELS, DOCKS, RAILWAY STATIONS OR WAREHOUSES

These classifications include mending or repacking of damaged containers. Operation of warehouses to be separately rated.

<table>
<thead>
<tr>
<th>Code #</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>8709F</td>
<td>UNDER US ACT</td>
</tr>
<tr>
<td>8292</td>
<td>UNDER STATE ACT</td>
</tr>
<tr>
<td>8720</td>
<td>INSPECTION OF RISKS FOR INSURANCE OR VALUATION PURPOSES – NOC</td>
</tr>
<tr>
<td>3685</td>
<td>INSTRUMENT MANUFACTURING – NOC</td>
</tr>
</tbody>
</table>

Applies to professional or scientific instruments. Includes airplane and surveyor’s instruments as well as those used by doctors, dentists, scientists, etc.

<table>
<thead>
<tr>
<th>Code #</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>5191</td>
<td>INTERCOM SYSTEMS INSTALLATION – WITHIN BUILDINGS</td>
</tr>
<tr>
<td>9521</td>
<td>INTERIOR DECORATORS</td>
</tr>
</tbody>
</table>

Applies where the decorator supervises the installation of the new furnishings. Where the decorator is employed by a furniture store and only advises the client on choosing new furnishings assign code 8044. Where the decorator operates from a showroom only, showing samples which are delivered from a separate company assign code 8017.
INSULATION

5183  PIPES OR BOILERS
5479  WORK NOC

Includes the installation or application of acoustical (other than ceilings) or thermal insulating materials in buildings or within building walls.

IRON OR STEEL
MANUFACTURING

3018  ROLLING MILL

No wire drawing. Steel making, blast furnace operation to be separately rated.

3004  STEEL MAKING

Includes electric furnace, crucible process, open hearth, or Bessemer furnaces. Blast furnace operation to be separately rated.

FABRICATION

3040  SHOP – NON-STRUCTURAL

Not fabricating or assembling structural iron or steel. Applies to the manufacturing, fabricating, or assembling of ornamental, decorative or artistic brass, bronze, iron or steel work.

Includes such items as railings, balconies, fire escapes, staircases, wrought iron furniture, dumpsters, iron shutters or other non-structural iron or steel work. Blast furnaces or converter operations, casting of steel or other metals and rolling mills to be separately rated.

3030  SHOP – STRUCTURAL

Applies to the fabricating or assembling of structural iron or steel. This is defined as the structures of buildings or free-standing structures which may not qualify as “buildings”. Blast furnace or converter operation, casting of steel or rolling mills to be separately rated.

ERECITION

5102  DECORATIVE OR ARTISTIC

Applies to iron or steel, brass or bronze decorative or artistic items.

5102  DOOR, DOOR FRAME OR SASH – METAL OR METAL COVERED

5059  DWELLINGS NOT OVER TWO STORIES IN HEIGHT

5040  EXTERIOR

Includes work on balconies.

5040  FRAME STRUCTURES – NOC

5059  FRAME STRUCTURES NOT OVER TWO STORIES IN HEIGHT
5040  METAL BRIDGES

5102  NON-STRUCTURAL

Applies to the erection of non-structural or decorative iron or steel, brass or bronze work including radio, television or microwave towers.

5040  WATER TOWERS, SMOKESTACKS OR GAS HOLDERS

5057  NOC

8106  IRON OR STEEL MERCHANT

Not applicable to junk dealers or iron or steel scrap dealers.

7215  DRIVERS IN CONNECTION THEREWITH

8265  IRON OR STEEL SCRAP DEALER

Wrecking or salvage operations to be separately rated.

7216  DRIVERS IN CONNECTION THEREWITH

6229  IRRIGATION OR DRAINAGE SYSTEM CONSTRUCTION

Pile driving, dredging, tunneling, or dam or sewer construction to be separately rated.

4452  IVORY OR BONE GOODS MANUFACTURING
J

Code # Classification

JALOUSIE OR JALOUSIE SCREEN – METAL OR GLASS

3076 MANUFACTURING

5645 ERECTION

9015 JANITORIAL OPERATIONS AND CUSTODIAL CARE

Applies to janitorial operations consisting of care, custody, maintenance, or repair of premises or facilities, whether performed as a contract service to others or by employees of an employer who leases space to others within a building or by an employer who occupies the building or premises.

Includes security personnel employed by the building owner or occupant. Contract security services are to be separately rated as Code 7720. Painting or building repair shall be separately classified if performed at a location where the insured does not perform janitorial operations. Does not apply to maintenance or repair of machinery.

3383 JEWELRY MANUFACTURING

5192 JUKE BOXES – INSTALLATION, SERVICE, OR REPAIR

8264 JUNK DEALER

Applicable to those risks engaged in collecting or handling a miscellaneous line of secondhand materials, such as bottles, rags, paper, bones, rubber, non-ferrous scrap metals, and ferrous scrap metals. Risks primarily engaged in collecting or handling ferrous scrap metals shall be assigned to Code 8265. Wrecking or salvaging to be separately rated.

7218 DRIVERS IN CONNECTION THEREWITH

2380 JUTE OR HEMP SPINNING OR WEAVING
<table>
<thead>
<tr>
<th>Code #</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>8831</td>
<td>KENNELS – BOARDING OR BREEDING – DOG OR CAT</td>
</tr>
<tr>
<td>2501</td>
<td>KNIT GOODS MANUFACTURING – NOC</td>
</tr>
</tbody>
</table>

Yarn manufacturing to be separately rated.
### L

<table>
<thead>
<tr>
<th>Code #</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>4251</td>
<td>LABEL MANUFACTURING</td>
</tr>
<tr>
<td>2380</td>
<td>PAPER</td>
</tr>
<tr>
<td>8755</td>
<td>LABEL MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>WOVEN LABELS</td>
</tr>
<tr>
<td></td>
<td>LABOR UNION</td>
</tr>
<tr>
<td></td>
<td>Includes business agents and organizers.</td>
</tr>
<tr>
<td>4558</td>
<td>LACQUER OR SPIRIT VARNISH MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Includes mixing of thinners or solvents but no nitrocellulose manufacturing. Risks engaged in the manufacture of nitrocellulose, thinners or solvents to be assigned to Code 4829.</td>
</tr>
<tr>
<td>3076</td>
<td>LADDER MANUFACTURING</td>
</tr>
<tr>
<td>2802</td>
<td>METAL</td>
</tr>
<tr>
<td>2802</td>
<td>WOOD</td>
</tr>
<tr>
<td>2802</td>
<td>LAMINATED WOOD BUILDING BEAMS AND COLUMNS MANUFACTURING</td>
</tr>
<tr>
<td>3179</td>
<td>LAMP OR LANTERN MANUFACTURING – NOC</td>
</tr>
<tr>
<td>3257</td>
<td>LAMP SHADE</td>
</tr>
<tr>
<td>2501</td>
<td>FRAME MANUFACTURING – WIRE</td>
</tr>
<tr>
<td>2501</td>
<td>MANUFACTURING – PARCHMENT OR TEXTILE</td>
</tr>
<tr>
<td></td>
<td>Frame manufacturing to be separately rated.</td>
</tr>
<tr>
<td>4279</td>
<td>PAPER OR PLASTIC</td>
</tr>
<tr>
<td></td>
<td>Not molded. Molded plastic shade manufacturing to be separately rated as Code 4484.</td>
</tr>
<tr>
<td>0042</td>
<td>LANDSCAPE GARDENING</td>
</tr>
<tr>
<td></td>
<td>Includes laying out grounds, planting trees, shrubs, flowers, or lawns.</td>
</tr>
<tr>
<td></td>
<td>Excavation, filling or backfilling, or grading to be separately rated. Paving or brick or stone laying to be separately rated.</td>
</tr>
<tr>
<td>4712</td>
<td>LARD REFINING</td>
</tr>
<tr>
<td>2731</td>
<td>LAST BLOCK MANUFACTURING</td>
</tr>
<tr>
<td>2731</td>
<td>LATH MANUFACTURING – WOOD</td>
</tr>
<tr>
<td>5437</td>
<td>LATHING</td>
</tr>
<tr>
<td></td>
<td>Metal lathing used as reinforcement for concrete shall be assigned to the appropriate concrete construction classification.</td>
</tr>
</tbody>
</table>
LAUNDRY

MACHINERY MANUFACTURING

3628 COMMERCIAL
3559 HOUSEHOLD
8017 SELF-SERVICE
2585 NOC

Collecting or distributing stores, no laundering at the same location, to be rated as Code 8017.

8820 LAW OFFICE
0005 LAWNSPRAYING

Applies to spraying with insecticides, weed killers or fertilizer.

9102 LAWN MAINTENANCE

5183 LAWN SPRINKLER SYSTEMS INSTALLATION – UNDERGROUND

Irrigation and drainage system construction to be classified as Code 6229.

1438 LEAD MANUFACTURING

Includes red or white lead.

3027 LEAD WORKS

Includes sheet, pipe, or shot. Smelting to be separately rated.

LEATHER

2688 BELTING MANUFACTURING
2623 EMBOSsing
2623 DRESSING
2688 GOODS MANUFACTURING – NOC
9501 MANUFACTURING – IMITATION
2623 MANUFACTURING – PATENT OR ENAMEL
2688 SKIVING
4150 LENS MANUFACTURING – GROUND
8800 LETTER SERVICE SHOP
9101 LIBRARY OR MUSEUM – PUBLIC
8810 PROFESSIONAL EMPLOYEES
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>9015</td>
<td>JANITORIAL OPERATIONS AND CUSTODIAL CARE</td>
<td></td>
</tr>
<tr>
<td>4825</td>
<td>LICORICE EXTRACT MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>5221</td>
<td>LIGHT PRISMS IN SIDEWALKS – INSTALLATION OR REPAIR</td>
<td></td>
</tr>
<tr>
<td>1624</td>
<td>LIME MANUFACTURING</td>
<td>Excavation, digging, mining or quarrying to be separately rated.</td>
</tr>
<tr>
<td>4000</td>
<td>LIME MANUFACTURING – QUARRY – SURFACE</td>
<td></td>
</tr>
<tr>
<td>7382</td>
<td>LIMOUSINE COMPANY</td>
<td></td>
</tr>
<tr>
<td>8395</td>
<td>GARAGE EMPLOYEES</td>
<td></td>
</tr>
<tr>
<td>9015</td>
<td>JANITORIAL OPERATIONS AND CUSTODIAL CARE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
<td></td>
</tr>
<tr>
<td>7212</td>
<td>SCHEDULED</td>
<td></td>
</tr>
<tr>
<td>7220</td>
<td>NON-SCHEDULED</td>
<td></td>
</tr>
<tr>
<td>2380</td>
<td>LINEN CLOTH MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>2501</td>
<td>LINGERIE MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>2501</td>
<td>LINING MANUFACTURING – HATS OR COATS</td>
<td></td>
</tr>
<tr>
<td>9501</td>
<td>LINOLEUM MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>4299</td>
<td>LINOTYPE OR HAND COMPOSITION</td>
<td></td>
</tr>
<tr>
<td>4299</td>
<td>LITHOGRAPHING</td>
<td>Includes incidental assembling, stapling or binding of circulars, pamphlets or catalogues. Includes mounting and finishing. Artists, designers, proofreaders, editors or clerical office employees to be separately rated as Code 8810. Reporters, advertising or circulation solicitors to be separately rated as Code 8742. Lithographing stone manufacturing to be separately rated as Code 1624.</td>
</tr>
<tr>
<td>8279</td>
<td>LIVERY OR BOARDING STABLE</td>
<td></td>
</tr>
<tr>
<td>0129</td>
<td>LIVESTOCK DEALER OR COMMISSION OR SALES COMPANY</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOCK CONSTRUCTION</td>
<td>Refer to “DAM OR LOCK CONSTRUCTION”.</td>
</tr>
<tr>
<td>8010</td>
<td>LOCKSMITH – INCLUDES SHOP</td>
<td>The installation of locks in new buildings, when done as part of the overall construction operation is assignable to Code 5437.</td>
</tr>
<tr>
<td>3507</td>
<td>LOCOMOTIVE WORKS</td>
<td></td>
</tr>
</tbody>
</table>
2702  LOGGING OR LUMBERING

Includes construction, operation, maintenance, or extension of logging roads or railroads. Mill operations to be separately rated.

Payments of allowances to employees for power saws furnished by employees shall constitute remuneration as defined in Rule Five - Premium Basis, unless the employer’s books and records are maintained so as to show separately by employee that such payments constitute reimbursement of expenses. If such payments or allowances, shown separately by employee on the employer’s books and records do not exceed 20% of the employee’s total remuneration, they shall be omitted in computation of premium. If such payments or allowances to an individual employee exceed 20% of the amount shown as total remuneration of that employee, the amount in excess of 20% shall be considered as remuneration, even though it is separately recorded in the employer’s books and records.

2709  LOGGING OR LUMBERING – MECHANIZED HARVESTING

4251  LOOSE-LEAF LEDGER OR NOTEBOOK MANUFACTURING

Manufacturing of metal rings, posts, screws, separators or fittings to be separately rated.

LUMBER YARD

8058  STORE EMPLOYEES

8232  YARD AND WAREHOUSE EMPLOYEES

This code does not include employees engaged in grading, removing, and sorting of lumber at the conveyors as it comes from the saws of a saw mill. Those employees are to be classified under Code 2731 - Sawmill.
M

Code #  Classification

2016  MACARONI MANUFACTURING
    Includes all kinds of pasta.

3632  MACHINE SHOP NOC
    Foundry operations to be separately rated.

8107  MACHINERY DEALER – NOC
    Applies to store or yard operations. Includes demonstration, installation, service or repair done at the customer's location. Operation of machinery at a customer's location to be separately rated.

3628  MACHINERY MANUFACTURING – NOC
    No job or production machining. Applicable only to concerns manufacturing or assembling completed machines.

1701  MAGNESITE MANUFACTURING

1438  MAGNESIUM METAL MANUFACTURING
    Milling or grinding of magnesium metal, mining or quarrying to be separately rated.

8800  MAILING OR ADDRESSING COMPANY

2121  MALT HOUSE

MALTED MILK MANUFACTURING

6504  FROM POWDERED MILK, SUGAR, MALT, COCOA

2065  INCLUDING DEHYDRATION OF MILK

9403  MANURE DEALERS

4036  MAP MANUFACTURING – RELIEF – MADE OF PLASTER

5348  MARBLE OR STONE SETTING – INSIDE
    Applies to interior construction only.

4036  MARBLE – POWDERED PRODUCTS MANUFACTURING

MARINA

Applicable to waterfront operations including the operation of boat docks, storage facilities, repair shops, or marine railways. Applies to boat livery operations or the operation of boats on non-navigable waters except that dredging operations are to be separately rated as Code 4000 and diving operations are to be separately rated as Code 1164. Also applicable to the sale or repair of boats and engines, including the sale of parts or accessories, dockside snack bars, and all dockside employees. Operation away from the waterfront location such as showrooms at other locations shall be separately rated. Additionally the operation of motels, food service operations,
swimming pools, bowling lanes, and other recreational facilities shall be separately rated. Boat building shall be separately rated as Code 6824F or 6834.

6826F COVERAGE UNDER US ACT

6836 COVERAGE UNDER STATE ACT

8720 MARINE APPRAISER OR SURVEYOR

5022 MASONRY – NOC

5022 MAUSOLEUMS AND MONUMENTS IN CEMETERIES – ERECTION ONLY
The placing of headstones to be separately rated as Code 5221.

4279 MATCH MANUFACTURING

2501 MATTRESS OR BOX SPRING MANUFACTURING
Separately rate the manufacturing of wire springs, excelsior, wood frames, or foam padding.

6504 MAYONNAISE MANUFACTURING

2095 MEAT PRODUCTS MANUFACTURING – NOC

5191 MEAT SLICERS OR GRINDERS – SERVICE OR REPAIR

3685 MEDICAL DIAGNOSTIC LAMP MANUFACTURING

MEDICINE, DRUG, OR PHARMACEUTICAL PREPARATION

4611 COMPOUNDING, BLENDING, OR PACKING OPERATIONS ONLY

4825 MANUFACTURING & INCIDENTAL MANUFACTURING OF INGREDIENTS

6504 MELBA TOAST MANUFACTURING
No baking of bread

8742 MESSENGERS, COLLECTORS, OR SALEPERSONS – OUTSIDE
Subject to the Special Classifications Rule.

METAL

5538 CEILING OR WALL COVERING INSTALLATION AND SHOP

FINISHING

3372 BY DIPPING OR SUBMERSION PROCESS

3632 BY MACHINE

3400 GOODS MANUFACTURING – NOC
Applies to the manufacturing of sheet metal parts by the use of stamping presses. If only automatic presses are used in the production process, assign Code 3131.
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5146</td>
<td>PARTITION INSTALLATION</td>
</tr>
<tr>
<td>8264</td>
<td>SCRAP DEALER</td>
</tr>
<tr>
<td></td>
<td>Includes the collection and reduction of non-ferrous scrap metals by shearing or cutting. No collecting or handling of scrap iron or steel.</td>
</tr>
<tr>
<td></td>
<td>The metal scrap dealer operations shall be assigned to Code 1438 - Smelting, Sintering, or Refining Metals - not iron - NOC when reduction is performed by a melting process.</td>
</tr>
<tr>
<td>7218</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
<tr>
<td>8106</td>
<td>SERVICE CENTERS</td>
</tr>
<tr>
<td></td>
<td>Not junk or scrap dealers.</td>
</tr>
<tr>
<td>3400</td>
<td>TAG MANUFACTURING – STAMPED</td>
</tr>
<tr>
<td>5190</td>
<td>METERS – ELECTRIC – INSTALLING, REPAIRING, AND TESTING – INCLUDING SHOP</td>
</tr>
<tr>
<td>1748</td>
<td>MICA GOODS MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Includes preparing, grinding and splitting. Mining to be separately rated.</td>
</tr>
<tr>
<td>3620</td>
<td>MILITARY TANK HULL MANUFACTURING OR ASSEMBLY</td>
</tr>
<tr>
<td></td>
<td>MILK</td>
</tr>
<tr>
<td>4279</td>
<td>BOTTLE CAP OR CONTAINER MANUFACTURING – PAPER</td>
</tr>
<tr>
<td>2070</td>
<td>BOTTLE EXCHANGE</td>
</tr>
<tr>
<td>4484</td>
<td>BOTTLE MANUFACTURING – PLASTIC</td>
</tr>
<tr>
<td>2070</td>
<td>DEPOT OR DEALER</td>
</tr>
<tr>
<td></td>
<td>Includes preparation of products for distribution. Ice cream manufacturing to be separately rated as Code 2065.</td>
</tr>
<tr>
<td>2065</td>
<td>PRODUCTS MANUFACTURING</td>
</tr>
<tr>
<td>2014</td>
<td>MILLING GRAIN</td>
</tr>
<tr>
<td>3724</td>
<td>MILLWRIGHT WORK – NOC</td>
</tr>
<tr>
<td></td>
<td>Applies to the erection or repair of machinery or equipment. Code 3724 shall not be assigned to employees of the insured engaged in millwright work on the premises of the insured.</td>
</tr>
<tr>
<td>3507</td>
<td>MINING OR ORE MILLING MACHINERY MANUFACTURING</td>
</tr>
<tr>
<td>1164</td>
<td>MINING – NOC – NOT COAL – UNDERGROUND</td>
</tr>
<tr>
<td></td>
<td>Contemplates mining with shafts, tunnels, or drifts.</td>
</tr>
<tr>
<td>4131</td>
<td>MIRROR MANUFACTURING</td>
</tr>
</tbody>
</table>
Manufacturing of frames, backs or handles to be separately rated.

2501 MITTEN OR GLOVE MANUFACTURING

Applies to knit, leather, or textile gloves or mittens. Tanning of leather or manufacturing of textile fabric or yarn to be separately rated. Not sporting gloves.

MOBILE HOME

2797 CAMP TRAILER AND CAMPER BODY MANUFACTURING

Includes the manufacture of motor homes and tent-type trailers.

DELIVERY

7208 BY SPECIALIST CONTRACTOR – DELIVERY ONLY

8387 BY SPECIALIST CONTRACTOR

Including on-site placement, hookup of plumbing and utility systems, and incidental installation activities.

5538 METAL SKIRTING INSTALLATION

REPAIR

8387 SHOP – BY DEALER OR SPECIALIST CONTRACTOR

8387 ON-SITE BY DEALER

8387 ON-SITE BY CONTRACTOR

The on-site repair of a mobile home which is permanently set and occupied is classified in the same manner as the repair work done on any dwelling.

SALES

8387 MOBILE HOME DEALER

8748 SALESPEOPLE FOR MOBILE HOME DEALER

Note that these persons are not real estate salespersons.

WINDSTORM TIE-DOWN INSTALLATION

8387 BY DEALER

6400 BY SPECIALIST CONTRACTOR

9015 BY MOBILE HOME PARK OPERATOR

2021 MOLASSES OR SYRUP REFINING, BLENDING OR MANUFACTURING

8010 MONUMENT DEALER

Installation of headstones is to be separately rated as Code 5221.

2380 MOP HEAD MANUFACTURING
From cotton waste

2881 MOP MANUFACTURING – ASSEMBLY ONLY

5348 MOSAIC, STONE OR TILE WORK – INSIDE

Applies to interior construction work only. Not fireproof tile construction.

2501 MOSQUITO NETTING – CUTTING, SEWING

MOTEL

Refer to “HOTEL OR MOTEL”

MOTION PICTURE

4360 DEVELOPMENT OF NEGATIVES, PRINTING, AND ALL SUBSEQUENT OPERATIONS

4360 FILM EXCHANGE AND PROJECTION ROOMS

7610 PRODUCTION – IN STUDIOS OR OUTSIDE

All operations up to the development of negatives.

3076 MOTORCYCLE MANUFACTURING OR ASSEMBLY

4712 MUCILAGE, GLUE OR PASTE MANUFACTURING

8395 MUFFLER INSTALLATION OR REPAIR

9410 MUNICIPAL, TOWNSHIP, COUNTY OR STATE EMPLOYEES – NOC

When the employer elects Waiver of Coordination of Benefits for volunteer Civil Defense Workers use Code 7979. Refer to footnotes under Firefighters, Safety Patrol Officers and Ambulance Service Company for the appropriate codes to use for those volunteers when this provision is elected.

Includes Inspectors of the Board of Health, Electrical Inspectors, Building Inspectors, and similar governmental workers such as Mine Inspectors, Tax Assessors and Welfare workers.

Major governmental operations which are assigned to codes other than 9410 follow:

7720 ATTENDANTS – JUVENILE HOME

8820 ATTORNEY

7380 BOOKMOBILE DRIVER

8810 CITY MANAGER

7720 COURT OFFICER

8832 DOCTORS – HEALTH DEPARTMENT

8831 DOG CATCHERS

8601 ENGINEERS – NOT IN CHARGE OF ACTUAL WORK
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7704</td>
<td>FIREFIGHTERS</td>
</tr>
<tr>
<td>7904</td>
<td>FIREFIGHTERS (Waiver of Coordination of Benefits-Volunteer)</td>
</tr>
<tr>
<td>9403</td>
<td>GARBAGE COLLECTORS</td>
</tr>
<tr>
<td>7213</td>
<td>DRIVERS</td>
</tr>
<tr>
<td>1438</td>
<td>GARBAGE WORKS</td>
</tr>
<tr>
<td>9015</td>
<td>JANITORS</td>
</tr>
<tr>
<td>8810</td>
<td>JUDGE</td>
</tr>
<tr>
<td>4511</td>
<td>LABORATORY WORK</td>
</tr>
<tr>
<td>8810</td>
<td>MAYOR AND COMMISSIONERS</td>
</tr>
<tr>
<td>8395</td>
<td>MUNICIPAL GARAGE</td>
</tr>
<tr>
<td>7720</td>
<td>POLICE OFFICERS</td>
</tr>
<tr>
<td>7720</td>
<td>PROBATION OFFICERS</td>
</tr>
<tr>
<td>9015</td>
<td>RECREATION DEPARTMENT</td>
</tr>
<tr>
<td>8810</td>
<td>SCHOOL BOARD</td>
</tr>
<tr>
<td>7580</td>
<td>SEWAGE TREATMENT</td>
</tr>
<tr>
<td>6306</td>
<td>SEWER CONSTRUCTION CREW</td>
</tr>
<tr>
<td>5509</td>
<td>SNOW REMOVAL</td>
</tr>
<tr>
<td>5509</td>
<td>STREET CLEANING</td>
</tr>
<tr>
<td>5506</td>
<td>STREET CONSTRUCTION CREW</td>
</tr>
<tr>
<td>5509</td>
<td>STREET DEPARTMENT LABORERS – STREET CLEANING</td>
</tr>
<tr>
<td>8835</td>
<td>VISITING NURSES</td>
</tr>
<tr>
<td>7520</td>
<td>WATERWORKS OPERATION</td>
</tr>
</tbody>
</table>

**MUSEUM**

Refer to “LIBRARY OR MUSEUM – PUBLIC”

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0035</td>
<td>MUSHROOM RAISING</td>
</tr>
</tbody>
</table>

**MUSICAL INSTRUMENT MANUFACTURING**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3383</td>
<td>METAL – NOC</td>
</tr>
<tr>
<td>2790</td>
<td>WOOD – NOC</td>
</tr>
<tr>
<td>Code #</td>
<td>Classification</td>
</tr>
<tr>
<td>--------</td>
<td>----------------</td>
</tr>
<tr>
<td>3257</td>
<td>NAIL MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Steel making or rolling mills to be separately rated.</td>
</tr>
<tr>
<td>2380</td>
<td>NAILHEAD ORNAMENTATION</td>
</tr>
<tr>
<td></td>
<td>Attaching nail heads or similar articles to textile fabrics by means of foot presses.</td>
</tr>
<tr>
<td>2501</td>
<td>NECKTIE MANUFACTURING</td>
</tr>
<tr>
<td>3257</td>
<td>NEEDLE MANUFACTURING</td>
</tr>
<tr>
<td>2380</td>
<td>NET MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Not applicable to wire nets.</td>
</tr>
<tr>
<td>8745</td>
<td>NEWS AGENT OR DISTRIBUTOR OF MAGAZINES OR OTHER PERIODICALS – NOT RETAIL DEALER</td>
</tr>
<tr>
<td>8017</td>
<td>NEWS BUTCHER</td>
</tr>
<tr>
<td>4304</td>
<td>NEWSPAPER PUBLISHING</td>
</tr>
<tr>
<td></td>
<td>Artists, designers, proofreaders, editors, or clerical office employees to be separately rated as Code 8810. Reporters, advertising or circulation solicitors to be separately rated as Code 8742. News carriers shall be assigned to the classification of the risk by which they are employed, except that News carriers using motor vehicles or bicycles in connection with their delivery operations shall be separately rated as Code 7380.</td>
</tr>
<tr>
<td>4251</td>
<td>NOTEBOOK OR LOOSE-LEAF LEDGER MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Manufacturing of metal rings, posts, screws, separators or fittings to be separately rated.</td>
</tr>
<tr>
<td>8829</td>
<td>NURSING OR CONVALESCENT HOME</td>
</tr>
<tr>
<td>9058</td>
<td>FOOD SERVICE OPERATIONS</td>
</tr>
<tr>
<td>9015</td>
<td>JANITORIAL OPERATIONS AND CUSTODIAL CARE</td>
</tr>
<tr>
<td>3132</td>
<td>NUT OR BOLT MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Steel making or rolling mills to be separately rated.</td>
</tr>
<tr>
<td>6504</td>
<td>NUT CLEANING OR SHELLING</td>
</tr>
<tr>
<td>2380</td>
<td>NYLON TEXTILE FIBER MANUFACTURING</td>
</tr>
</tbody>
</table>
O

Code # Classification

5191 OFFICE MACHINE OR APPLIANCE INSTALLATION, SERVICE, OR REPAIR
9501 OIL CLOTH MANUFACTURING

OIL OR GAS

5550 BURNER INSTALLATION – FOR HEATING – RESIDENTIAL OR COMMERCIAL
8601 GEOLOGIST OR SCOUT

Includes lease buyers who, as any part of their work, perform work similar to that undertaken by oil or gas geologists or scouts.

1320 LEASE OPERATOR

Separately rate the erecting or dismantling of derricks, drilling, installation or recovery or casing, well shooting, cementing, tank building, topping operations, or gasoline recovery.

6216 LEASE WORK BY CONTRACTOR

Includes the clearing of land, building of lease roads, slush pits, levees or fire walls; the laying or taking up of flow lines and water lines; installing of central pumping units; and lease beautification work.

Separately rate: pipeline construction, tank building, rig or derrick erecting or dismantling, installation or recovery of casing, drilling, cleaning and swabbing of wells, or well shooting. Not lease operation.

6319 PIPELINE CONSTRUCTION

Pile driving or dredging to be separately rated.

7515 PIPELINE OPERATION

Construction, operation of wells, or oil refining to be separately rated.

OIL OR GAS WELL

6216 ACIDIZING

6216 CEMENTING

1322 CLEANING OR SWABBING OF OLD WELLS HAVING PREVIOUSLY PRODUCED GAS OR OIL – BY CONTRACTOR – NO DRILLING

Not available to a concern or contractor doing work in connection with a new well which has not yet been completed. Such concern or contractor shall be assigned to Code 6235.

6235 DRILLING

Includes installation or recovery of casing.

8601 INSTRUMENT LOGGING OR SURVEY WORK

6216 PERFORATION OF CASING
6235  SHOOTING

6216  SPECIALTY TOOL OPERATION NOC - BY CONTRACTOR

Applicable to concerns or contractors who lease to drilling contractors, with supervisory employees, special drilling, bailing, fishing, or casing-cutting tools. Specialty well tool concerns or contractors which furnish complete operating crews with such equipment shall be assigned to Code 6235.

8107  SUPPLIES OR EQUIPMENT DEALER

Includes drilling rigs. Includes store or yard. Includes demonstration, installation, or repair. Operation of machinery or equipment away from the premises is to be separately rated.

8350  OIL OR GASOLINE DEALER

Operation of retail gasoline stations to be separately rated as Code 8387 or Code 8381.

4712  OIL OR GREASE MIXING OR BLENDING

Includes glue, paste, and mucilage. Also includes rendering and petroleum refining.

1748  OIL OR HONE STONE MANUFACTURING

Quarrying to be separately rated.

4712  OIL – RECLAIMING OF USED MOTOR OIL

4712  OIL REFINING – PETROLEUM

Oil producing to be separately rated.

OIL RIG or Derrick ERECTING OR DISMANTLING – ALL OPERATION

5057  METAL

5403  WOOD

OIL STILL

3724  ERECTION OR REPAIR

Applies to the erection or repair of oil stills and incidental structures or connections which are integral parts of the distillation units such as control, pump, and compressor houses. Separately rate the erection or repair of office buildings, warehouses, storage tanks, power plants, or other structures incidental to an oil refinery but not integral parts of the distillation units, chimney construction, and pile driving.

5183  PIPE INSULATION

4150  OPTICAL GOODS MANUFACTURING NOC

7313F  ORE DOCK OPERATION AND STEVEDORING

Applies to operation by means of a mechanical apparatus. Not applicable to contract stevedores.

1624  ORE MILLING

Includes concentration or amalgamation.
<table>
<thead>
<tr>
<th>Code</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>2790</td>
<td>ORGAN BUILDING AND INSTALLATION</td>
</tr>
<tr>
<td>4036</td>
<td>ORNAMENT OR PLASTER STATUARY MANUFACTURING</td>
</tr>
<tr>
<td>4825</td>
<td>OXYGEN OR HYDROGEN MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Includes tank charging.</td>
</tr>
<tr>
<td>3827</td>
<td>OUTBOARD MOTOR MANUFACTURING</td>
</tr>
<tr>
<td>3628</td>
<td>OVEN MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Metal Industrial Drying Ovens</td>
</tr>
<tr>
<td>3724</td>
<td>OVERHEAD DOOR INSTALLATION</td>
</tr>
</tbody>
</table>
Code # Classification

PACKAGE OR PARCEL DELIVERY

Refer to “TRUCKING”.

8059 PACKAGING – CONTRACT – RETAIL SIZE PACKAGES

 Applies to risks engaged in packaging cosmetics, toiletries, pharmaceuticals, soaps, cleaning agents, hardware, advertising materials and similar merchandise owned by others in retail size packages as a contract service.

Does not apply to the packaging or crating of machinery, furniture or similar heavy items and does not apply to the packaging or repackaging of explosives. Does not apply to operations involving any assembly or sorting.

This code is also assigned to the operations of temporary service contractors engaged in packaging operations only with no sorting or assembly involved.

2759 PACKING CASE MANUFACTURING

4558 PAINT MANUFACTURING

Pigment or lead compound manufacturing to be separately rated.

PAINTING

9501 AUTOMOBILE OR CARRIAGE BODIES

5038 METAL STRUCTURES OR BRIDGES

This class is rated on a per job basis as follows:

The rate for the painting of metal structures or bridges shall be the manual rate of the classification which applies to the erection of the structure being painted, with certain exceptions as follows:

1. The painting of gas holders will be assigned the rate midway between the rates for Code 5040 and Code 5476.

2. The painting of metal fire escapes, landings, balconies, shutters, frames, sash or oil or gasoline storage tanks will be assigned the rate for Code 5476.

3. The painting of metal bridges, viaducts, or trestles where the span between adjacent piers is not more than one girder length will be assigned the rate for Code 5057.

6874F SHIP HULLS

9501 SHOP ONLY

5476 NOC OR PAPERHANGING

Painting ship hulls, metal structures or bridges or in shop to be separately rated

2759 PALLET MANUFACTURING – WOOD

2802 PALLET REPAIR ONLY – NO MANUFACTURING – WOOD
Coating, Corrugating, Creping, Laminating, Oiling, Para finning, Parchmentizing or waxing. Not building or roofing paper or felt preparation. Paper manufacturing to be separately rated as Code 4239.

Applicable only to concerns manufacturing coated paper and bond, ledger, book, writing, note and similar types of paper.

Paper manufacturing to be separately rated as Code 4239.

Includes card, bristol, paper, straw, fiber or leather board. Wood pulp manufacturing to be separately rated as Code 4207.

Hardware manufacturing to be separately rated.

Manufacturing of metal jigs, fixtures or dies to be separately rated.
PAVING OR REPAVING

5221 FLOORS, DRIVeways, YARDS, OR SIDEWALKS
5506 STREETS OR ROADS

PEANUT

6504 BUTTER MANUFACTURING
8102 HANDLING

Applies to cleaning, grading or shelling, Hull grinding or manufacturing of oil to be separately rated.

4000 PEAT DIGGING

2841 PEG AND SKEWER MANUFACTURING – WOOD

3574 PEN MANUFACTURING – FOUNTAIN OR BALL POINT

3257 PEN POINT MANUFACTURING

PENCIL

3574 MANUFACTURING – MECHANICAL

2731 STOCK MANUFACTURING – WOOD

4825 PENICILLIN MANUFACTURING

8831 PET GROOMING

PHARMACEUTICAL

4825 DRUG OR MEDICINE PREPARATION MANUFACTURING AND INCIDENTAL MANUFACTURING OF INGREDIENTS

4611 DRUG OR MEDICINE PREPARATION – NO MANUFACTURING OF INGREDIENTS

Applies to compounding, blending or packing operations only.

4693 SURGICAL GOODS MANUFACTURING NOC

4484 PHONOGRAPH RECORD MANUFACTURING

4351 PHOTOENGRAVING

4361 PHOTOGRAPHER

Includes counter personnel and photo processing employees. As respects aerial photography, the payroll of all members of the flying crew and aircraft ground employees shall be assigned to the appropriate aircraft flying and ground crew classifications.

PHOTOGRAPHIC COMPOSITION

This operation contemplated the use of a standard electric typewriter keyboard (with auxiliary push buttons and levers) to select desired characters from a matrix and project their images through lens onto photographic film or paper. The photographic positive is developed, coated with adhesive on the reverse side, and is positioned by
employees who work at drafting tables with simple tools, such as scissors or knives, assembling photocomposed materials into paste-ups.

A proof of the photo-composed sheet is prepared on a machine commonly used to reproduce blueprints. After the proof is accepted by the customer, the paste-up is sent to the engraving department.

The above described operation may also be done by the use of a computer which will generate the completed proof sheet which is then sent to the customer.

When these operations are performed in a physically separated department, they shall be classified as Code 8810 – "Artists, Designers, Proof readers". Concerns specializing in the operations described as a service for others shall also be classified as Code 8810.

The subsequent operations involving the transferring of the copy to a metal plate shall continue to be assigned to the applicable basic classification (i.e., Codes 4299, 4304, or 4361).

4923 PHOTOGRAPHIC SUPPLIES MANUFACTURING

Chemical manufacturing plants or concerns manufacturing pyroxylin or pyroxylin plastic to be separately rated. Includes film and dry plates manufacturing.

8832 PHYSICIAN – Does not apply where inpatient overnight care is provided.

PIANO

2790 MANUFACTURING

Includes assembling or finishing operations and manufacturing of the piano action. Also applies to player pianos.

5191 TUNING – AWAY FROM SHOP

2110 PICKLE MANUFACTURING

PICTURE FRAME

2881 ASSEMBLING – FROM MANUFACTURED PARTS

2731 MOLDING MANUFACTURING

5040 PILE DRIVING

Includes pile driving operations in connection with building foundations and timber wharf building.

2501 PILLOW, QUILT OR CUSHION MANUFACTURING

PIPE

3111 BENDING AND CUTTING

2380 CLEANER MANUFACTURING

2790 MANUFACTURING – WOODEN – TOBACCO

3028 TUBE MANUFACTURING – IRON OR STEEL

Iron or steelmaking to be separately rated.
3027  TUBE MANUFACTURING – LEAD
       Smelting to be separately rated.

3022  TUBE MANUFACTURING – NOC

6319  PIPELINE RECLAMATION – OIL OR GAS
       PIPELINE OR GAS WELL
       Refer to “OIL OR GAS”

3635  PISTON PIN OR RING MANUFACTURING

2731  PLANING OR MOLDING MILL
       Applicable to risks whose principal product is dressed lumber, flooring or unassembled millwork. All yard
       operations shall be assigned to Code 8232.

PLASTER

4036  BOARD OR BLOCK MANUFACTURING
       Quarrying, crushing, or grinding to be separately rated.

4036  FORM MANUFACTURING

1701  MILL
       Quarrying to be separately rated.

4036  OR, STAFF MIXING
       No crushing or grinding.

4036  STATUARY OR ORNAMENT MANUFACTURING

PLASTERING

5480  NOC

5022  OR STUCCO WORK - ON OUTSIDE OF BUILDINGS

PLASTICS

4459  EXTRUDED PRODUCTS – SHEETS, RODS, OR TUBES
       Includes the mixing or grinding of molding materials. Manufacturing of chemicals to be separately rated as
       Code 4829.

4452  FABRICATED PRODUCTS
       Applicable to the manufacturing of plastic goods by such operations as machining, bending, buffing or
       polishing, using raw materials in the form of sheets, rods, or tubes. Also applicable to the manufacturing of
       plastic goods by a dipping process. Manufacturing of chemicals to be separately rated as Code 4829.

4484  MOLDED PRODUCTS
Applicable to the manufacturing of plastic goods by injection, compression or any other molding operation including forming around or over a mold by any means. Manufacturing of chemicals to be separately rated.

4299 PLAYING CARDS MANUFACTURING

Paper or cardboard manufacturing to be separately rated as Code 4239.

PLYWOOD

8235 DEALERS

2915 MANUFACTURING

PLUMBERS’ SUPPLIES

8111 DEALER – NO MANUFACTURING

Applies to wholesale or retail dealers of gas, steam or hot water equipment or other plumbing supplies.

3188 MANUFACTURING – NOC

5183 PLUMBING – NOC

Applicable to gas, steam, hot water or other types of pipe fitting. Installation of heating and air conditioning piping to be separately rated as Code 5550. Automatic sprinkler installation to be separately rated as Code 5188.

2688 POCKETBOOK OR HANDBAG MANUFACTURING

Applies to the manufacturing of leather or fabric pocketbooks or handbags.

8232 POLE, POST OR TIE YARD

7720 POLICE OFFICERS

When part-time or volunteer police officers are employed, the actual remuneration of all such persons shall be included with the payroll of regular police officers in computing the premium. In no case, however, shall the remuneration of any such police officers be taken at less than $400 per person per year.

4557 POLISH OR DRESSING MANUFACTURING

Applies to shoe, stove, harness, furniture, automobile, or metal polish or dressing manufacturing. Can manufacturing to be separately rated as Code 3220.

3632 POLISHING AND BUFFING

Small articles – Shop only – No manufacturing

4568 POTASH, BORAX OR SALT PRODUCING OR REFINING

Mining to be separately rated.

2380 POLYESTER TEXTILE FIBER MANUFACTURING

6504 POPCORN MANUFACTURING

1438 PORCELAIN FRIT MANUFACTURING

6504 POTATO CHIP MANUFACTURING
2014 POTATO FLOUR MANUFACTURING

4024 POTTERY MANUFACTURING

Includes china, tableware, earthenware and porcelain ware. Mining, quarrying or clay digging to be separately rated.

POULTRY OR EGG PRODUCER

Refer to “Farm”

2501 POWDER PUFF MANUFACTURING – FROM FABRICS OR DRESSED WOOL SKINS

3507 POWER PLOW OR TRACTOR ENGINE MANUFACTURING

PRE-CAST CONCRETE

Refer to “Concrete Pre-cast”

2802 PRE-FABRICATED HOUSE MANUFACTURING – WOOD – SHOP WORK

8013 PRECIOUS STONE SETTING

3629 PRECISION MACHINED PARTS MANUFACTURING – NOC

Applies only to risks where the plans or specifications require that not less than 50% of all machining operations performed by the risk shall be held to final tolerances of .001” or smaller and for which no more specific code exists for the products being manufactured. Applies also to risks which meet the tolerance requirement while providing machining services only and doing no manufacturing.

4299 PRINTING

Includes incidental assembling, stapling, or binding of circulars, pamphlets or catalogues. Artists, designers, proofreaders, editors, or clerical office employees to be separately rated as Code 8810. Reporters, advertising or circulation solicitors to be separately rated as Code 8742.

3548 PRINTING OR BOOKBINDING MACHINE MANUFACTURING

5102 PRISON CELL ERECTION

7704 PROTECTIVE CORPS OR FIRE PATROL

8835 PUBLIC HEALTH NURSING ASSOCIATION

4207 PULP MANUFACTURING – CHEMICAL PROCESS OR GROUND WOOD PROCESS

Logging or lumbering to be separately rated.

PUMP

3724 INSTALLATION – COMMERCIAL

5183 INSTALLATION – RESIDENTIAL

3612 MANUFACTURING

3113 PUNCH MANUFACTURING – FOR MARKING METAL
4558  PUTTY MANUFACTURING

3685  PYROMETER MANUFACTURING

4459  PYROXYLIN MANUFACTURING

The manufacture of chemicals to be separately rated as Code 4829.
### Q

**Code #**  | **Classification**
---|---
**QUARRY** | 
4000 | CEMENT ROCK OR LIMESTONE – SURFACE
1624 | NOC
8015 | QUICK PRINTING – COPYING OR DUPLICATION SERVICE

This classification applies to risks that provide reproduction by means of offset-type duplicators on paper sizes less than 18 x 23 inches. The reproduction by means of electrostatic-type devices, digital, or non-impact imaging on paper of any size is also included. Additional operations performed by such risks in support of quick printing or copying services such as binding, collating, corner rounding, cutting, folding, scoring, numbering, perforating, shrink wrapping, stapling, mailing, counter sales and similar type activities for which no other specific basic classification exists are included in this classification.

2501 | QUILT, CUSHION OR PILLOW MANUFACTURING
2501 | QUILTED CLOTH MANUFACTURING
R

Code #  Classification

9015  RACE TRACK OPERATION – HORSE, DOG OR AUTOMOBILE

7422  AUTOMOBILE PIT CREWS

8017  CONCESSION STANDS – NO COOKING

9058  FOOD SERVICE EMPLOYEES

8831  KENNEL EMPLOYEES

8810  PARI-MUTUAL CLERKS, CASHIERS AND CLERICAL OFFICE EMPLOYEES

8392  PARKING LOT ATTENDANTS

8720  RACING OFFICIALS – OTHER THAN STARTERS OR THEIR ASSISTANT

8279  STABLEHANDS

3081  RADIATOR OR HEATER MANUFACTURING

Apply to cast iron radiators or heaters.

RADIO OR TELEVISION

3681  APPARATUS MANUFACTURING OR ASSEMBLY NOC

7610  BROADCASTING STATION – INCLUDED FIELD ANNOUNCERS

9519  SET INSTALLATION, SERVICE, OR REPAIR

Includes shop and outside work. Electrical wiring or tower erection to be separately rated.

4131  RADIO TUBE MANUFACTURING

6319  RADIOGRAPHERS

Testing operations in connection with oil or gas pipeline construction.

8264  RAG OR PAPER STOCK DEALER – USED

Laundry operations to be separately rated as Code 2585.

7218  DRIVERS IN CONNECTION THEREWITH

RAILROAD

The classifications for railroad construction and railroad operation do not contemplate coverage for insurance under the Federal Employers’ Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, refer to Rule Eleven - The Admiralty Law and The Federal Employers’ Liability Act.

5506  CONSTRUCTION: LAYING OR RELAYING OF TRACKS OR MAINTENANCE OF WAY BY CONTRACTOR
No work on elevated railroads. All other operations are to be assigned to the appropriate construction or erection classification.

- **7382 OPERATIONS – STREET OR NOC**
- **7212 DRIVERS IN CONNECTION THEREWITH**
- **9015 JANITORIAL OPERATIONS AND CUSTODIAL CARE**
- **8395 GARAGE EMPLOYEES**

**RAILROAD CONSTRUCTION** - All employees including clerical, salespersons and drivers.

**COVERAGE UNDER THE FEDERAL EMPLOYERS’ LIABILITY ACT (FELA)**

- **6702 PROGRAM I**
- **6704 PROGRAM II – STATE ACT BENEFITS**
- **6703 PROGRAM II – USL&HW ACT BENEFITS**

**RAILROAD OPERATION** - All employees including drivers

This classification contemplates the normal operations of railroads including normal maintenance and repair. All extraordinary repair work including such work as rebuilding bridges, grade crossing elimination, laying or relaying track and all new construction operations shall be classified as Code 6702, 6703, or 6704.

**COVERAGE UNDER THE FEDERAL EMPLOYERS’ LIABILITY ACT (FELA)**

- **7151 PROGRAM I**
- **7153 PROGRAM II – STATE ACT BENEFITS**
- **7152 PROGRAM II – USL&HW ACT BENEFITS**
- **7720 RANGERS – FOREST**
- **2790 RATTAN, WILLOW OR TWISTED FIBER PRODUCTS MANUFACTURING**
- **2380 RAYON MANUFACTURING**
  - Manufacture of chemicals to be separately rated as Code 4828.
- **3179 RAZOR MANUFACTURING OR REPAIR – ELECTRIC**
- **8742 REAL ESTATE AGENCY – OUTSIDE EMPLOYEES AND COLLECTORS**
  - Care, custody, and maintenance or construction work to be separately rated.

**RECREATIONAL FACILITIES OR AMUSEMENT DEVICES**

- **8017 ARCADE OPERATIONS**
9015 ARCHERY RANGES
9015 BALL OR DART THROWING AT TARGETS
9015 BASEBALL BATTING CAGES OR RANGES
9015 GOLF COURSES – MINIATURE
9015 GOLF DRIVING RANGES
9015 KIDDIE RIDES AT PERMANENT LOCATIONS
9015 PONY RIDES
9015 SHOOTING GALLERIES
9015 SKATING RINKS
8017 SKEE BALL ALLEYS
9015 SKI TOWS
9015 TENNIS COURTS – PUBLIC
9015 RECREATIONAL VEHICLE CAMPGROUNDS OR PARKS
4024 REFRACTORY PRODUCTS MANUFACTURING

Includes the manufacturing of fire bricks, boiler or stoker tiles, special refractory shapes, enameled bricks, retorts, flue linings, muffles, crucibles, and similar products manufactured from refractory clays with or without other refractory materials. Clay digging, mining, or quarrying to be separately rated.

REFRIGERATION

5550 NOC – INCLUDES INSTALLATION, SERVICE OR REPAIR

Pipefitting or piping installation done by specialist contractors may be assigned to Code 5183.

9519 PORTABLE

Applies to self-contained, moveable units whether located in residences, restaurants or commercial locations. Includes installation, service or repair.

REFRIGERATOR

7360 CARS – ICING OR RE-ICING OR LOADING OR UNLOADING

Includes caring for freight in cars during transit. Stevedoring to be separately rated.

3076 MANUFACTURING – METAL

Includes household or commercial. Also includes freezers. Manufacturing or assembling the refrigerating unit to be separately rated as Code 3179.

2812 REFRIGERATED SHOWCASE MANUFACTURING – WOOD

9519 STOVE, WASHING MACHINE, DRYER, ETC. REPAIR
9403  REFUSE, ASHES OR GARBAGE COLLECTION
7213  DRIVERS IN CONNECTION THEREWITH
8837  RELIGIOUS OR CHARITABLE ORGANIZATION – WELFARE
4712  RENDERING WORKS NOC
8835  RESIDENTIAL MAID SERVICE

Applies to commercial firms supplying personnel to households for performance of duties including, but not limited to, vacuuming, dusting, wall washing, window washing and other interior house cleaning tasks.

8829  REST HOME – NOT HOME FOR THE AGED
9058  FOOD SERVICE OPERATION

RESTAURANT
3076  AND HOTEL KITCHEN EQUIPMENT MANUFACTURING – METAL
9058  NOC
2380  RIBBON MANUFACTURING – TEXTILE FABRICS
8279  RIDING ACADEMY OR CLUB
9530  RIGGING NOC
3507  ROAD OR STREET MAKING MACHINERY MANUFACTURING
6217  ROCK EXCAVATION – NOT STREET OR ROAD CONSTRUCTION
1701  ROCK WOOL MANUFACTURING

Excavation or digging, dredging, mining or quarrying to be separately rated.

3638  ROLLER OR BALL BEARING MANUFACTURING

ROLLING MILL
3018  IRON OR STEEL
3027  NOC

Applicable to brass, copper or other soft metals. Not copper coated steel bars. Wire drawing, steel making or iron or steel rolling to be separately rated.

ROOFING
5551  APPLICATION OR INSTALLATION – ALL KINDS

Applies to the installation of all kinds of waterproofing materials on the tops of buildings.

5552  FLAT ROOFS ONLY
4712  COMPOUND MANUFACTURING
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1748</td>
<td>GRANULES MANUFACTURING</td>
</tr>
<tr>
<td>9501</td>
<td>PAPER OR FELT MANUFACTURING OR PREPARATION</td>
</tr>
</tbody>
</table>

Manufacture of paper or felt to be separately rated. This classification does not apply to the installation of roofing materials on buildings.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1624</td>
<td>SLATE MANUFACTURING OR SLATE SPLITTING</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9052</td>
<td>ROOMING HOUSES OR BOARDING HOUSES</td>
</tr>
<tr>
<td>2380</td>
<td>ROPE, CORDAGE OR TWINE MANUFACTURING NOC</td>
</tr>
</tbody>
</table>

### RUBBER

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4410</td>
<td>GOODS MANUFACTURING NOC</td>
</tr>
<tr>
<td>4410</td>
<td>RECLAIMING</td>
</tr>
<tr>
<td>4299</td>
<td>STAMP MANUFACTURING OR ASSEMBLY</td>
</tr>
</tbody>
</table>

Manufacturing of frames, backs or handles to be separately rated.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8264</td>
<td>STOCK DEALER – USED</td>
</tr>
<tr>
<td>7218</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
</tbody>
</table>

### RUBBER TIRE DEALER

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8010</td>
<td>COUNTER OR SHOWROOM SALES</td>
</tr>
<tr>
<td>8387</td>
<td>INSTALLATION OF TIRES AND WHEELS, WHEEL ASSEMBLY, BALANCING AND TIRE REPAIR</td>
</tr>
</tbody>
</table>

Other provided services may be subject to separate treatment.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4410</td>
<td>RUBBER TIRE MANUFACTURING</td>
</tr>
</tbody>
</table>

### RUG

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9015</td>
<td>CARPET OR UPHOLSTERY CLEANING – COMMERCIAL OR RESIDENTIAL – AT CUSTOMER’S PREMISES</td>
</tr>
<tr>
<td>2585</td>
<td>CARPET OR UPHOLSTERY CLEANING – SHOP</td>
</tr>
<tr>
<td>2380</td>
<td>CARPET MANUFACTURING</td>
</tr>
<tr>
<td>Code #</td>
<td>Classification</td>
</tr>
<tr>
<td>--------</td>
<td>----------------</td>
</tr>
<tr>
<td>2501</td>
<td>SACK OR BAG MANUFACTURING – CLOTH</td>
</tr>
<tr>
<td></td>
<td>Applies to the manufacturing of cotton, burlap, gunny or other textile bags or sacks.</td>
</tr>
<tr>
<td>4902</td>
<td>SADDLE OR HARNES MANUFACTURING</td>
</tr>
<tr>
<td>3507</td>
<td>SAFE MANUFACTURING OR REPAIRING</td>
</tr>
<tr>
<td>8868</td>
<td>SAFETY PATROL OFFICERS</td>
</tr>
<tr>
<td></td>
<td>Applies to any paid or unpaid persons, other than regular police officers or students, who engage in or volunteer for safety patrol duty, traffic regulation and management, pursuant to authority of a city, village or township, including those who volunteer and are registered with a school and assigned to patrol any public thoroughfare used by students of any school. In no case shall remuneration of any such officer be taken at less than $400 per person per year. When employer elects Waiver of Coordination of Benefits for volunteers under this classification use Code 7920.</td>
</tr>
<tr>
<td>2501</td>
<td>SAIL MAKING – NOT CANVAS – SHOP</td>
</tr>
<tr>
<td>0129</td>
<td>SALES STABLE</td>
</tr>
<tr>
<td>8742</td>
<td>SALESPEOPLE, COLLECTORS OR MESSENGERS – OUTSIDE</td>
</tr>
<tr>
<td></td>
<td>Subject to the Special Classifications Rule.</td>
</tr>
<tr>
<td>4568</td>
<td>SALT, BORAX OR POTASH PRODUCING OR REFINING</td>
</tr>
<tr>
<td></td>
<td>Mining to be separately rated.</td>
</tr>
<tr>
<td></td>
<td>SALVAGE OPERATIONS – MARINE</td>
</tr>
<tr>
<td></td>
<td>Refer to “Diving”</td>
</tr>
<tr>
<td>4000</td>
<td>SAND OR GRAVEL DIGGING</td>
</tr>
<tr>
<td></td>
<td>No canal, sewer or cellar excavation or underground mining.</td>
</tr>
<tr>
<td>9040</td>
<td>SANITARIUM</td>
</tr>
<tr>
<td>9058</td>
<td>FOOD SERVICE OPERATIONS</td>
</tr>
<tr>
<td>9015</td>
<td>JANITORIAL OPERATIONS AND CUSTODIAL CARE</td>
</tr>
<tr>
<td>8833</td>
<td>PROFESSIONAL EMPLOYEES</td>
</tr>
<tr>
<td>SASH,</td>
<td>Door or Assembled Millwork</td>
</tr>
<tr>
<td>2802</td>
<td>MANUFACTURING – WOOD</td>
</tr>
<tr>
<td></td>
<td>Where a risk deals in any lumber, building materials or fuel and materials in addition to products manufactured, all yard operations shall be assigned to Code 8232.</td>
</tr>
</tbody>
</table>
8235 DEALER

Includes incidental assembling, glazing, or manufacturing of special sizes. Applicable only to concerns which buy and sell finished millwork exclusively (including incidental assembling or glazing or manufacturing of special sizes), such as finished flooring, doors, frames, sash, screens, molding, baseboards, stair trim, columns, paneling, cupboards, shelving or furniture such as kitchen cabinets, ironing boards, breakfast sets, window seats, mantels, wall cabinets or cases.

SATELLITE DISH INSTALLATION

Applies to ground or roof mounted installations.

3724 ERECTION OF DISH AND AUXILIARY EQUIPMENT

5221 INSTALLATION OF CONCRETE MOUNTING PAD – GROUND

5213 INSTALLATION OF CONCRETE MOUNTING PAD – ROOF

9519 INSTALLATION OF DSS-TYPE DISH

These are the small (usually 12" - 18") dishes which are similar in nature to regular TV antennas.

SAW

3113 MANUFACTURING

2731 MILL

Storage and subsequent handling of processed lumber to be separately rated as Code 8232.

3113 SHARPENING

SCALES – INSTALLATION, SERVICE, ADJUSTMENT OR REPAIR

5192 COIN OPERATED TYPE

5191 COUNTER TYPE

3724 PLATFORM OR BEAM TYPE

9529 SCAFFOLDS OR SIDEWALK BRIDGES – INSTALLATION, REPAIR OR REMOVAL

This code applies when such work is not performed by the construction contractor as an incidental part of the construction. It is rated on a per job basis as follows:

1. Suspended, swinging, or outrigger scaffolds – assign rate of Code 9530.
2. Scaffolds built up from the ground – assign rate of Code 5057.
4. Concrete or cement distributing towers – assign rate of Code 5057.

9101 SCHOOL – INCLUDES TRADE OR VOCATIONAL SCHOOLS
7380  BUS DRIVERS
9058  FOOD SERVICE OPERATIONS
8395  GARAGE EMPLOYEES
9015  JANITORIAL OPERATIONS AND CUSTODIAL CARE
8868  PROFESSIONAL EMPLOYEES
7380  SCHOOL BUS OPERATOR AND DRIVERS

Applies to risks engaged in the transport of students under contract to school districts. Garage employees to be separately rated as Code 8395.

SCREEN MANUFACTURING – WINDOW

3076  METAL
2802  WOOD
3145  SCREW MANUFACTURING
4557  SEALING WAX MANUFACTURING
7720  SECURITY SCREENING – CONTRACT
8102  SEED MERCHANT – INCLUDES OPERATION OF SEED SORTING MACHINERY
6229  SEPTIC TANK INSTALLATION
7580  SEWAGE DISPOSAL PLANT OPERATION

SEWER

9402  CLEANING

Cleaning from inside building or from building connections only to be separately rated as Code 5183.

6306  CONSTRUCTION – ALL OPERATIONS

SEWING MACHINE

3574  MANUFACTURING

Applies to domestic, commercial or industrial. Includes shop repair of commercial or industrial machines, cutters and parts.

3643  SHOP REPAIR OR REBUILDING OF ELECTRIC MOTORS
9519  REPAIR OR SERVICING – DOMESTIC
3724  REPAIRING, INSTALLING AND DISMANTLING IN SEWING PLANTS
2841  SHADE ROLLER MANUFACTURING – WOOD
6217  SHAFT SINKING

4000  SHALE OR CLAY DIGGING

No canal, sewer or cellar excavation or underground mining.

2623  SHEEPSKIN PICKLING

**SHEET METAL**

*COVERED STEEL FRAME BUILDING CONSTRUCTION*

Frame work - assign appropriate iron or steel erection classification.

5538  COVERING ERECTION

5538  DECKING – INSTALLATION FOR SUB-ROOFS OR FLOORS

3066  WORK – SHOP ONLY

5538  WORK – SHOP AND OUTSIDE NOC

Applies to erection, installation or repair operations. Roofing to be separately rated as Code 5551.

8837  SHELTERED WORKSHOP

Applies to risks engaged in performing various operations both on and off premises which pay a deviated minimum wage to the workers. Generally the employees are handicapped or injured individuals and the work being done is within the skill levels of the workers or is intended to help the injured worker to return to regular employment. Where risks are engaged in similar operations but pay the state minimum wage or a wage above the state minimum wage, the operations of the risk are to be assigned to the appropriate basic classifications describing those operations.

This classification includes job coaches and supervisors as well as persons who may individually help the workers to do their work. Classroom teachers of school subject and daily living skills are to be separately rated as Code 8868.

2731  SHINGLE MANUFACTURING – WOOD

8232  SHINGLE STAINING – SHOP

**SHIP BUILDING**

These classifications include fabrication or assembling of the ship plates or frames, all yard operations, and shops directly connected with the construction of the hull and are applicable, except for naval ships, to ships exceeding 150’ in length. Subject to the rules for division of payroll the following classifications are available for use in connection with these codes: BOILERMAKING – CODE 3820, FOUNDRY - NON-FERROUS - CODE 3085, FOUNDRY - FERROUS - NOC - CODE 3081, MACHINE SHOP (other than maintenance machine shop) - CODE 3632.

6845F  NAVAL – US ACT

6843F  IRON OR STEEL – NOC – US ACT

6872F  SHIP REPAIR OR CONVERSION – ALL OPERATIONS – US ACT

Includes shop or yard operations. Applicable only to concerns engaged in general shop repairing or conversion which are equipped to do various kinds of ship repair or conversion work and which undertake such diversified
operations as a usual part of their business. Work performed on ships by other concerns shall be assigned to the
manual classifications describing the work. Also applicable to ship cleaning operations.

6874F  SHIP SCALING – US ACT

SHIP/BOAT LIVERY

Includes the laying up or putting into commission of boats under 15 tons. Boats 15 tons or over to be separately
rated under the appropriate vessels classification. Includes the operation of VESSELS - SAIL and YACHTS - PRIVATE -
SAIL OR POWER of any size. Includes charter boat operations on navigable waters.

COVERAGE UNDER ADMIRALTY LAW

7038  PROGRAM I
7090  PROGRAM II – STATE ACT BENEFITS
7050  PROGRAM II – USL&HW ACT BENEFITS

6836  COVERAGE ON INLAND WATERS ONLY – NO NAVIGABLE WATERS

VESSELS – NOC

Includes the operation of FERRIES, FISHING VESSELS, OYSTER BOATS, TUGBOATS, SUPPLY BOATS, AND VESSELS –
NOC. For fishing vessels this code includes packing, curing or shipping fish and repair of nets or boats when done
by the crew of the boat. For oyster boats this classification includes planting, harvesting, and operation of boats.

COVERAGE UNDER ADMIRALTY LAW

7016  PROGRAM I
7024  PROGRAM II – STATE ACT BENEFITS
7047  PROGRAM II – USL&HW ACT BENEFITS

9015  COVERAGE ON INLAND WATERS ONLY – NO NAVIGABLE WATERS

VESSELS - NOT SELF PROPELLED

When vessels-not self-propelled have a regular master and crew who are furnished living quarters aboard the
vessel, they shall be rated as “VESSELS – NOC”.

COVERAGE UNDER ADMIRALTY LAW

7046  PROGRAM I
7098  PROGRAM II – STATE ACT BENEFITS
7099  PROGRAM II – USL&HW ACT BENEFITS

9015  COVERAGE ON INLAND WATERS ONLY – NO NAVIGABLE WATERS

2501  SHIRT MANUFACTURING
2380  SHODDY MANUFACTURING
SHOE
2660 FINDINGS MANUFACTURING
2790 FORM OR LAST MANUFACTURING
2660 BOOT MANUFACTURING – NOC
2501 ORNAMENT MANUFACTURING – FABRIC
8017 REPAIR OR SHINING
2660 STOCK MANUFACTURING – INCLUDES COUNTER, HEEL OR SOLE CUTTING
9015 SHOOTING GALLERY

SHOWCASE
5146 ERECTION AND INSTALLATION
3076 MANUFACTURING – METAL
2812 MANUFACTURING – WOOD
9519 INSTALLATION – REFRIGERATED
2841 SHUTTLE MANUFACTURING – WOOD

SIDING INSTALLATION – ALUMINUM OR VINYL
5645 DWELLINGS – THREE STORIES OR LESS
5403 ALL OTHER BUILDINGS OR STRUCTURES

SIGN
ERECTION OR REPAIR
9558 EMPLOYEES ENGAGED IN OUTSIDE OPERATIONS
9559 EMPLOYEES ENGAGED IN SHOP OPERATIONS
   Includes neon tube fabrication.
3064 MANUFACTURING – METAL
   May include other materials when no erection is involved.
9501 PAINTING OR LETTERING – INSIDE OF BUILDINGS
   Includes shop operations.
9558 PAINTING OR LETTERING – OUTSIDE OF BUILDINGS OR STRUCTURES
1748 SILICA GRINDING
SILK
4299  SCREEN PRINTING
2380  THREAD OR YARN MANUFACTURING

Also applies to silk throwing or weaving.

SILO ERECTION
5213  CONCRETE
5538  GLASS FUSED TO METAL
5538  METAL
5022  MASONRY OR TILE
5403  WOOD
3383  SILVERWARE MANUFACTURING
3146  SKATE MANUFACTURING
9015  SKATING RINK OPERATION

Applies to the operation of ice or roller skating rinks by owners or lessees.

SKI MANUFACTURING
2841  WOOD

OTHER THAN WOOD
Assign appropriate classification based upon principal manufacturing process.

1624  SLAG DIGGING AND CRUSHING

SLATE
1748  GRINDING
1624  MILLING OR SPLITTING OR ROOFING SLATE MANUFACTURING

SLAUGHTERING
Refer to “BUTCHERING”.

2660  SLIPPER MANUFACTURING
3574  SLOT MACHINE MANUFACTURING – NOT VENDING MACHINES
1438  SMELTING, SINTERING, OR REFINING – METALS – NOT IRON OR STEEL

Includes electric process. Includes the manufacturing of artificial abrasives, carbon or graphite.

5222  SMOKESTACK OR CHIMNEY LINING – NOT METAL
## SNOW

### FENCE MANUFACTURING

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2731</td>
<td>CUTTING LATH FROM LOGS</td>
</tr>
<tr>
<td>3257</td>
<td>WIRE TWISTING</td>
</tr>
</tbody>
</table>

### REMOVAL

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9402</td>
<td>CLEARING SNOW FROM STREETS, ROADS OR PARKING LOTS</td>
</tr>
<tr>
<td>7208</td>
<td>HAULING AWAY FROM PREMISES</td>
</tr>
<tr>
<td>7208</td>
<td>DRIVERS IN CONNECTION THEREWIT</td>
</tr>
<tr>
<td>5509</td>
<td>PERFORMED BY MUNICIPAL EMPLOYEES</td>
</tr>
<tr>
<td>9015</td>
<td>SIDEWALKS ONLY</td>
</tr>
</tbody>
</table>

### SOAP OR SYNTHETIC DETERGENT MANUFACTURING

Contemplates the manufacturing of bar soap, granulated, powdered, and sprayed soaps, soap chips and flakes, liquid soap, and synthetic detergents which have characteristics and end-uses similar to soap.

### SOAPSTONE OR SOAPSTONE PRODUCTS MANUFACTURING

Quarrying to be separately rated.

### SODA FOUNTAIN OR COUNTER INSTALLATION

Plumbing or electrical wiring to be separately rated.

### SODA WATER FOUNTAIN OR APPARATUS MANUFACTURING

### SORORITY OR FRATERNITY HOUSES

### FOOD SERVICE OPERATIONS

### SOUND SYSTEMS INSTALLATION OR REPAIR – IN BUILDINGS

### SOLVENTS DEALER – BULK

### SPAR OR FLINT GRINDING

Digging, mining or quarrying to be separately rated.

### SPEEDOMETER OR TAXI METER MANUFACTURING

### SPICE MILLS

### SPIKE MANUFACTURING

Steel making or rolling mills to be separately rated.

### SPIRITOUS LIQUOR BOTTLING OR DISTILLERY
Includes grain alcohol manufacturing and warehousing, rectifying or blending.

4558 SPIRIT VARNISH OR LACQUER MANUFACTURING

Includes mixing of thinners or solvents but not nitrocellulose manufacturing which is to be separately rated as Code 4829.

2841 SPOOL MANUFACTURING – WOOD

4902 SPORTING GOODS MANUFACTURING NOC

3303 SPRING MANUFACTURING

Not wire springs. The manufacturing of wire springs shall be rated as Code 3257.

3634 SPRINKLER HEAD MANUFACTURING

5188 SPRINKLER INSTALLATION

Applies to automatic sprinklers within buildings.

8279 STABLE OR BREEDING FARM

Includes training of race horses, polo ponies and horses for exhibition purposes. Includes jockeys and trainers.

4036 STAFF OR PLASTER MIXING – NO CRUSHING OR GRINDING

5437 STAIRS – ERECTION – WOOD

4251 STATIONERY MANUFACTURING

Manufacturing of metal rings, posts, screws, separators or fittings to be separately rated.

2731 STAVE MANUFACTURING – WOOD

STEAM

7539 HEATING OR POWER COMPANY

Construction of buildings to be separately rated.

6319 MAINS OR CONNECTIONS CONSTRUCTION

3574 OR AIR PRESSURE GAUGE MANUFACTURING

5183 PIPE OR BOILER INSULATING

Applies to the application of non-conducting materials.

3507 SHOVEL, DREDGE OR CONSTRUCTION MACHINERY MANUFACTURING NOC

STEAMSHIP LINE OR AGENCY – PORT EMPLOYEES

8726 SUPERINTENDENTS, CAPTAINS, ENGINEERS, STEWARDS OR THEIR ASSISTANTS, PAY CLERKS TALLIERS, CHECKING CLERKS AND EMPLOYEES ENGAGED IN MENDING OR REPACKING OF DAMAGED CONTAINERS
8709F  COVERAGE UNDER US ACT
8292  COVERAGE UNDER STATE ACT

STEEL FRAME ERECTION – INTERIOR – LIGHT GAUGE STEEL BY CARPENTRY CONTRACTORS

5645  DWELLINGS – THREE STORIES OR LESS
5403  OTHER BUILDINGS
5445  BY CONTRACTORS ENGAGED IN WALLBOARD INSTALLATION
5102  BY SPECIALIST CONTRACTOR
1438  GRIT MANUFACTURING

MANUFACTURING, FABRICATION OR ERECTION
Referred to “IRON OR STEEL”

STEEL

8106  IRON MERCHANT
Not applicable to junk dealers or iron or steel scrap dealers.

7215  DRIVERS IN CONNECTION THEREWITH

8265  IRON SCRAP DEALER
Wrecking or salvaging operations to be separately rated.

7216  DRIVERS IN CONNECTION THEREWITH

4299  STEREOTYPING

STEVEDORING

Any or all of the following operations conducted by employees not members of the crews of vessels shall be classified as “STEVEDORING”:

1. Loading or unloading, stowing, shifting or trimming of cargo, supplies and materials on board vessels.
2. Transfer of cargo, supplies, and materials between vessels and pier, irrespective of the necessity of work on board vessels by employees of the insured.
3. Transfer between string piece and point of deposit on dock or adjacent warehouses, including tiering, sorting and breaking down.
4. Operation of all mechanical equipment, including dock tractor, in connection with the above.

Any or all operations as above defined shall be assigned to Code 7309F – Stevedoring NOC, if the operations described in Item 2 above, whether conducted by one or more concerns, require the use of hoisting equipment.
All other operations shall be assigned to Code 7317F – Stevedoring - by Hand. When policies are issued covering classifications 7317F and/or 7309F no division of payroll shall be permitted in connection with the loading or unloading of any one vessel.

7317F  BY HAND OR HAND TRUCKS EXCLUSIVELY

Includes the incidental use of power driven escalators or conveyors, or operation of tractors and trailers through side ports. No use of hoisting equipment.

TALLIERS AND CHECKING CLERKS engaged in connection with stevedoring work.

8709F  COVERAGE UNDER US ACT
8292   COVERAGE UNDER STATE ACT

7309F  NOC

STEVEDORING OR FREIGHT HANDLING - Storage, Maintenance or Repair of Equipment

The storage, maintenance, or repair of nets, slings, fork lift trucks or other equipment shall be assigned to the basic classification even though such operations are conducted at a separate location.

0129  STOCKYARD

STONE

1624  CRUSHING

Includes stone crushing by road building contractors as part of road project.

1624  CUTTING OR POLISHING

Mining to be separately rated. Monument dealers to be separately rated as Code 8010.

5348  MARble SETTING – INSIDE

Applies to interior construction work only. Not fireproof tile construction.

STORAGE WAREHOUSE

8291  COLD

Applies to refrigerated storage of merchandise not owned by the insured. Drivers to be assigned to the appropriate TRUCKING - DRIVER classification.

8293  FURNITURE

Applies to the storage of furniture not owned by the insured.

Includes packing or handling household or office goods away from the insured's premises. Does not apply to the storage of new, unsold furniture for manufacturers or dealers which is to be classified as Code 8292.

7214  DRIVERS IN CONNECTION THEREWITH
8292  NOC
Applies to the storage of general merchandise not owned by the insured. Drivers to be assigned to the appropriate TRUCKING - DRIVER classification.

STORE

These descriptions and interpretations are designed to assist in assigning “STORE” classifications to specific insureds. The classifications are listed alphabetically under the major classification wording. Additional types of stores assigned to a particular classification are listed alphabetically within each numerical code. The description of each store classification is divided into the following two sections:

A beginning section includes a description of the types of merchandise sold, and it also describes the normal and incidental operations included in the particular store classification. In addition, operations which are assigned by analogy to the specified classification are shown.

OPERATIONS NOT COVERED

This section indicates operations which might be encountered but are not included in the specific store classification. It also indicates the classification to be assigned when such other operations are involved.

For all store codes delivery operations are to be classified as Code 7380.

GENERAL INSTRUCTIONS

The assignment of a classification to a store is based upon (1) the type of merchandise sold, and (2) whether the operations are wholesale or retail. The following definitions and instructions are to be observed in determining the appropriate store classification:

TYPE OF MERCHANDISE SOLD

If a store sells several types of merchandise, each of which may be subject to a different classification, such a store shall be assigned on the basis of the principal category of merchandise sold. The term “principal”, in this instance only, means the classification category having the largest amount of annual gross receipts.

COMBINATION SELF-SERVICE GASOLINE STATIONS AND STORES

The appropriate store classification shall apply at each location when the following conditions exist:

1. The sale of gasoline is controlled from within the store.
2. The sale of merchandise, other than gasoline, exceeds 10% of the total annual receipts for the location.

Unless these conditions are met, Code 8381 – “GASOLINE STATION – RETAIL – SELF-SERVICE” shall apply; however, if the store classification carries a higher rate than Code 8381, the appropriate store classification will apply.

When separate gasoline service station activities and store activities are conducted at a single location and employees do not interchange, the self- service gasoline station classification and the appropriate store classification shall apply to each of the respective operations.

WHOLESALE VS. RETAIL

RETAIL – Applies to the sale of merchandise not for resale.

WHOLESALE – Applies to the sale of merchandise for resale to others.

A store that sells merchandise on a combined wholesale and retail basis, shall be assigned to the appropriate store classification depending upon whether the gross receipts are principally from wholesale or retail sales. The term “principally” means more than 50% of the gross receipts.
8046  AUTOMOBILE ACCESSORIES STORE – RETAIL NOC

Automobile accessory stores today generally sell automobile accessories such as radios, stereo systems, alarm systems, accessory items such as special wheels, spoilers, interior accessories, etc. Such stores may offer installation of these accessories, but do not engage in general repair or service of motor vehicles found in auto repair facilities or service stations.

OPERATIONS NOT COVERED

1. Stores engaged principally in the selling of automobile parts shall be assigned to Code 8010.

2. Risks engaged principally in the selling of tires including installation shall be assigned to the classifications applicable to RUBBER TIRE DEALERS.

8008  CLOTHING, WEARING APPAREL OR DRY GOODS – RETAIL

This classification applies to a store engaged principally in selling any or all of the following merchandise at retail whether by mail, from a walk-in location or door-to-door:

1. Ready to wear clothing and wearing apparel, including boots, coats, dresses, gloves, haberdashery, hats, hosiery, knitwear, scarves, shoes, sleeping and lounging clothes, slippers, suits, undergarments and ties.

2. Dry goods which are fabric items. Note that the term “dry goods” does not mean items which are dry as opposed to items which are wet, but it means items which are not clothing but are made of fabric. These items include the following: bedspreads, blankets, curtains, draperies, embroideries, fabrics, handkerchiefs, laces, napkins, pillowcases, sheets, tablecloths, textile trimmings and towels.

3. Miscellaneous sewing accessories such as artificial flowers, buckles, buttons, dress shields, hooks and eyes, needles, patterns, pins, snaps, tapes, thimbles, thread, yarn and zippers.

Other types of operations which are assigned to this classification are COAT OR HAT CHECKROOM CONCESSIONS.

SHOE STORE

OPERATIONS NOT COVERED:

1. Dealers in ladies handbags shall be assigned to Code 8017.

2. Stores principally engaged in selling sporting goods such as camping, fishing, hunting, hockey, baseball, football, bowling, or basketball equipment or supplies and incidental clothing shall be assigned to Code 8017.

8032  CLOTHING, WEARING APPAREL, OR DRY GOODS – WHOLESALE

The same operations and definitions which apply to Code 8008 apply here except that these operations are principally wholesale rather than retail.

OPERATIONS NOT COVERED

1. Dealers in ladies handbags are assignable to Code 8018.

2. Wholesale sporting goods dealers are assignable to Code 8018.

3. Dealers in second-hand clothing which is sorted, graded, and baled for shipment shall be assigned to Code 8018.
8039  DEPARTMENT – RETAIL

This classification applies to large retail stores which are characterized by many departments, each selling a specific type of merchandise.

In order to qualify for assignment of this classification, each separate location must meet all three of the following conditions:

1. The payroll subject to this classification is at least $400,000 per year.

2. The merchandise handled must include:
   a. Wearing Apparel
   b. Linens/Domestics
   c. House Furnishings (other than Furniture)
   d. Two or more of the following: Cosmetics, Furniture, Giftware, Hardware, Jewelry, Luggage, Sporting Goods, Stationery / Greeting Cards, Toys.

3. The total annual sales of items a, b, and c above must exceed 50% of the total annual sales. Also, the total annual sales of wearing apparel, jewelry, and cosmetics must not exceed 80% of the total annual sales.

OPERATIONS NOT COVERED

1. Concessions in a department store shall be rated on the basis of the operations performed by the concessionaire and shall not be assigned to the department store classification.

2. The installation (other than delivery) and the service or repair of household appliances such as television sets, refrigerators, washing machines, and dryers shall be assigned to Code 9519.

3. The installation of automobile parts, tires, and other items for which state licensing is not required shall be assigned to Code 8387. If the risk is a licensed auto repair facility, all automobile service or repair work shall be assigned to Code 8395.

8045  DRUG STORE – RETAIL

This classification applies to retail drug store operations, defined as those stores which derive at least 50% of their sales from prescription drug sales.

8047  DRUG STORE – WHOLESALE

This classification applies to wholesale distributors of drugs, medicines, and pharmaceutical ingredients used for compounding and dispensing of prescriptions. These distributors may also handle, as a minor and incidental operation, such other merchandise as abdominal supports, baby products, bandages, brushes, combs, cosmetics, deodorants, disinfectants, dressings, elastic stockings, fever thermometers, heating pads, hot water bottles, shampoo, soap, sterilizers, vaporizers and other related products.

OPERATIONS NOT COVERED

1. Retail drug stores are to be assigned to Code 8045.

2. Wholesale stores which are engaged principally in selling the miscellaneous merchandise described above and which also sell a minor amount of medicine and drugs shall be assigned to Code 8018
3. This classification does not include compounding, blending or mixing of drugs, medicines, or pharmaceutical ingredients. If such operations are performed, they are assigned to Code 4611.

8050 FIVE AND TEN CENT STORES

This classification applies to stores which sell a wide variety of small merchandise such as stationery, cosmetics, toilet articles, hardware, housewares, confectionery, costume jewelry, toys, giftware and wearing apparel.

These stores are characterized by their method of displaying each type of merchandise on separate counters. The merchandise is usually sold on a cash basis without any delivery service.

Stores assigned to this classification may or may not specifically call themselves “Five and Ten Cent Stores”.

8001 FLORIST

This classification applies to retail, wholesale, or combined retail and wholesale dealers. It includes service away from the store premises. This classification applies to a store principally engaged in the selling of fresh cut flowers, potted plants, shrubs, trees, leaves and branches of natural vegetation, bulbs, and floral arrangements, including incidental florist supplies and accessories. Such stores may also sell artificial items including arrangements of artificial flowers.

The service away from the store premises covered by this classification includes operations such as the floral decoration of homes, churches or other buildings for weddings, banquets and parties. It also includes services provided to commercial businesses for indoor plant care.

OPERATIONS NOT COVERED

1. Dealers engaged principally in the sale of garden supplies such as flower pots, fertilizer, sod, birdbaths and statuary with incidental potted plants, trees, shrubs, bulbs and grass seed shall be assigned to Code 8010.

2. Cultivating and gardening operations, which are to be separately rated under Code 0035 are those found on premises of the insured but where the work is performed in greenhouses or fields in connection with the growing of flowers and potted plants. If the insured also grows bushes, shrubs and trees at the same location where flowers and potted plants are grown, then all of the growing operations may be subject to Code 0005.

3. Operations performed on the premises of customers such as the planting or care of lawns, gardens, trees, shrubs, landscaping or other similar outside operations are subject to Code 0042.

8044 FURNITURE

This classification applies to retail, wholesale, or combined wholesale and retailer dealers principally engaged in selling furniture for homes, lawns, gardens, offices and hotels. This furniture may be sold directly from the floor of the store or ordered from catalogs and samples on display in a showroom and subsequently shipped by the store to the customer. The word “furniture” as used in this classification includes living room, dining, room, bedroom or kitchen sets and individual pieces such as sofas, chairs, tables, beds, chests, breakfronts, bookcases, pianos, organs and major household appliances; for example, refrigerators, stoves and washing machines as well as larger radio, television and stereo items.

In addition, furniture stores may sell a minor amount of other merchandise such as bedding, carpets, linoleum, lighting fixtures, lamps, small household appliances, mirrors, pictures and kitchen cabinets.

This classification also includes polishing and minor repair of furniture on the insured’s premises or at the customer’s location.
OPERATIONS NOT COVERED

1. The installation of house furnishings such as draperies and rods, slipcovers, window shades, blinds, carpets, linoleum and non-ceramic floor tiles shall be assigned to Code 9521.

2. Stores engaged principally in selling bedding, lighting fixtures and lamps, carpets, linoleum, mirrors, pictures, or kitchen cabinets shall be assigned to Code 8017 or Code 8018 depending on whether sales are primarily retail or wholesale.

8006  GROCERY – RETAIL

Applies to: COFFEE, TEA OR SPICE – RETAIL
          DAIRY PRODUCTS – RETAIL
          DELICATESSEN – RETAIL
          FROZEN FOOD – RETAIL
          FRUIT OR VEGETABLE – RETAIL

This classification applies to stores principally engaged in the retail selling of groceries, fresh fruits, vegetables, dairy products, frozen foods, coffee, tea, spices, and delicatessen foods such as cold cuts, salads, pickles, smoked fish, and other so-called “appetizers” by mail order, at store locations or house-to-house. Delicatessen stores may prepare salads and also cook meat such as roast beef, ham, barbecue chickens and spare ribs.

These stores may also sell a minor amount of other merchandise such as soda pop, beer, household cleaning items, paper products, cigarettes and some drug store items.

OPERATIONS NOT COVERED

This classification is not applicable to any of the above stores which also sell any fresh or cured meat, fish or poultry. Such combination stores shall be assigned to Code 8033 provided that the cost of fresh and cured meats, fish, or poultry does not exceed 65% of the total cost of all merchandise purchased by the insured during the policy period.

If the cost of fresh and cured meats, fish, or poultry exceeds 65% of the total cost of all merchandise purchased by the insured during the policy period, the entire store operations shall be assigned to Code 8031.

8010  HARDWARE

Applies to: AUTOMOBILE PARTS DEALERS
          BICYCLE SHOPS
          BOAT DEALERS - AWAY FROM WATER
          INDUSTRIAL MILL SUPPLY
          LAWN AND GARDEN SUPPLIES
          LOCKSMITHS
          PARTS DEALERS
          SHIP CHANDLERS
          TOOL AND TRAILER RENTAL
WELDING SUPPLIES

This classification applies to retail, wholesale, or combined retail and wholesale dealers. It applies to dealers engaged principally in selling articles such as nails, screws, bolts, washers, gaskets, brackets, locks, hinges, electrical outlet boxes, switches, fuses, plugs, sockets, hand or machine tools, portable electric tools, plumbing fittings, and garden tools, supplies, and equipment including lawn mowers and snow plows. It applies to both walk-in and mail order operations.

In addition, hardware stores usually sell a wide variety of incidental “non-hardware” items such as paint, wallpaper and allied supplies, household electrical appliances, radios, stereos, and television sets, kitchenware, china and glassware, sporting goods, and automobile accessories or parts.

Such stores may also rent, to the general residential public, floor polishing & finishing machines, rug or upholstery cleaning machines, lawn & garden maintenance machines, and similar “handyman” or “do it yourself” type equipment and tools including automobile drawn utility trailers.

This classification also includes “ship chandlers” who are dealers in ship supplies and equipment such as engine room equipment, lifeboat supplies, navigational instruments, deck gear and other ship store items.

It also includes dealers in parts for radios, televisions, vacuum cleaners, household appliances, aircraft, sewing machines, and oil burners as well as dealers in cutlery. Also included in this classification are dealers in torches, gauges, welding rods, gloves, face masks, tanks, and welding gases including incidental filling of tanks.

OPERATIONS NOT COVERED:

1. Stores engaged principally in the retail selling of paint, wallpaper, and allied supplies, kitchenware, china and glassware or sporting goods shall be assigned to Code 8017.
2. Stores engaged principally in the retail selling of automobile accessories (not replacement parts) shall be assigned to Code 8046.
3. Repair or installation of household electrical appliances, stereos, radios and television sets shall be assigned to Code 9519.
4. The repair of gasoline powered lawn mowers shall be assigned to Code 8387.
5. Wholesale or retail dealers principally engaged in selling plumbers’ supplies such as tubs, sinks, radiators, tanks, boilers, spas, and other plumbing fixtures or equipment shall be assigned to Code 8111.
6. Wholesale or retail dealers principally engaged in selling wire, cable or metal conduit shall be assigned to Code 8106.
7. Wholesale or retail dealers principally engaged in selling metal pipe, rods, tubes, sheet metal, iron, steel or non-ferrous metals shall be assigned to code 8106.
8. Stores principally engaged in the sale of major household appliances shall be assigned to Code 8044.

8013 JEWELRY

Includes: COINS
HEARING AIDS
OPTICAL STORES
POSTAGE STAMPS (COLLECTOR ITEMS)
Applies to wholesale, retail or combined wholesale and retail dealers.

This classification applies to a store principally engaged in selling precious or costume jewelry, such as necklaces, earrings, bracelets, rings, watches, charms, lockets, pendants, broaches and similar ornamental items intended for personal adornment whether made of metals of other material.

In addition to jewelry this classification includes the minor and incidental handling of miscellaneous non-jewelry merchandise such as silverware, tableware, clocks, chinaware, glassware, trophies, small electrical appliances, giftware, and leather goods.

The repair or engraving of jewelry when performed by a retail jewelry store for individual customers is also within the scope of this classification.

OPERATIONS NOT COVERED

Dealers which handle only silverware, such as dishes, trays, tableware, candle holders, and coffee or tea sets are subject to the appropriate “NOC” store classification, depending on whether the sales are principally to retail customers (Code 8017) or to wholesale customers (Code 8018).

Stores which are principally engaged in selling a miscellany of non-jewelry items, such as silverware, tableware, clocks, chinaware, glassware, trophies, small electrical appliances, giftware or leather goods are assigned to the appropriate “NOC” store classification depending on whether the sales are principally to retail customers (Code 8017) or to wholesale customers (8018).

Repair work on jewelry or watches or clocks which is principally performed for other dealers shall be assigned to Code 3383.

For OPTICAL STORES the classification includes the grinding of lenses to fit frames. However, the surface grinding of lenses to prescription is assignable to Code 4150. Optometrists are to be assigned to Code 8832.

8031
MEAT, FISH, OR POULTRY DEALER – RETAIL

Includes: COLD STORAGE LOCKER OPERATION – FROZEN FOODS

This classification applies to stores engaged in retail selling of fresh and cured meats, fish, or poultry. When such stores also sell groceries, fresh fruits, vegetables, dairy products or frozen foods; this code shall apply when the cost of fresh and cured meats, fish or poultry exceeds 65% of the total cost of all merchandise purchased by the insured during the policy period. If the cost of fresh and cured meats, fish or poultry does not exceed 65% of the total cost of all merchandise purchased by the insured during the policy period, Code 8033 shall apply. These stores may cut the meat, fish or poultry into steaks, chops, fillets or other parts on their premises.

Sales to schools or other institutions are included in this classification.

This classification includes the incidental preparation of meats and produce. It also applies to the freezing and storing of meats, fruits or vegetables as a service for private individuals. Prior to storage in lockers, food may be prepared by cutting, slicing, grinding or chopping according to a customer’s specifications.

OPERATIONS NOT COVERED

1. Slaughtering operations shall be assigned to Code 2081.

2. Employees engaged in making sausage, frankfurters or lunch meats shall be assigned to Code 2095.

3. Freezing and storing of meats, fruits, or vegetables for other than private individuals shall be assigned to Code 8291.
8021 MEAT, FISH, OR POULTRY DEALER – WHOLESALE

This classification applies to dealers engaged principally in the wholesale distribution of fresh and cured meat, fish, or poultry. Some of these dealers cut the meat, fish, or poultry into steaks, chops, roasts, fillets or poultry parts for sale to hotels, restaurants or stores. These dealers may also distribute a minor and incidental amount of other miscellaneous products such as groceries, dairy products, fresh fruits or vegetables.

OPERATIONS NOT INCLUDED

Slaughtering operations shall be assigned to Code 2081.

8017 RETAIL – NOC

This classification applies to retail stores which are principally engaged in the selling of merchandise that is not described by a specialty retail store classification in the Manual. Stores assigned to this classification sell items such as:

ART SUPPLIES
BAKERY PRODUCTS
BEER, WINE, LIQUOR, AND SOFT DRINKS
BOOKS
CIGARS AND CIGARETTES
COMPUTERS
CONFECTIONERY
COSMETICS & TOILET ITEMS
FLOOR COVERINGS
GIFTCARE
GREETING CARDS
HOUSEWARES
LAMPS AND LIGHTING FIXTURES
LUGGAGE
MUSICAL INSTRUMENTS
NEWSPAPERS AND MAGAZINES
PAINT & RELATED SUPPLIES
PETS
PHARMACEUTICAL OR SURGICAL SUPPLIES
RECORDS, CD’S AND TAPES
PHOTOGRAPHIC SUPPLIES & EQUIPMENT
PURSES, HANDBAGS, WALLETS, ETC.
SMALL HOUSEHOLD APPLIANCES INCLUDING RADIO, TELEVISIONS, ETC.

SPORTING GOODS

STATIONERY AND RELATED ITEMS

TOYS

TYPEWRITERS, WORD PROCESSORS AND OFFICE MACHINES

SOFT DRINKS

SWIMMING POOL SUPPLIES

Includes:  ARCADES
          CHECK CASHING SERVICES
          DEMONSTRATORS IN RETAIL STORES
          ICE CREAM, FROZEN YOGURT OR FROZEN CUSTARD
          MAILING SERVICE STORES
          PAWN SHOPS
          TAILOR SHOP

Mailing service stores are those businesses which provide mail addresses similar to post office boxes for their customers. They also provide package sending services and may provide other similar services.

This classification also applies to shoppers who check the attentiveness, personality, and honesty of sales clerks employed in stores owned by others. It also applies to stores which are showroom locations only which are used to display merchandise which is shipped from the manufacturer or wholesaler directly to the customer or contractor.

OPERATIONS NOT COVERED

1. The installation, service, or repair of household appliances by a retail store shall be assigned to Code 9519.

2. The installation of carpets, linoleum, and non-ceramic floor tile by a retail store shall be assigned to Code 9521.

3. Hat or coat checkroom concessions shall be assigned to Code 8008.

**8033**  
SUPERMARKET

This classification applies to “supermarket” type stores (whether or not advertised as such), engaged in retail selling of groceries, fresh fruits, vegetables, dairy products, bakery products, frozen foods; and in addition, have a meat department that sells fresh and cured meats, fish or poultry. Such stores may operate a bakery which is included in the classification.

Such stores also sell other merchandise such as soft drinks, beer, soap and other household cleaning items, paper products, cigarettes, drugstore items, kitchen utensils and small hardware.

This classification shall be assigned only when the employer can satisfactorily establish that the cost of fresh and cured meats, fish or poultry did not exceed 65% of the total cost of all merchandise purchased by the insured during the policy period.
OPERATIONS NOT COVERED

1. Retail stores of the type described above where the cost of fresh and cured meat, fish or poultry exceeds 65% of the total cost of all merchandise purchased during the policy period shall be assigned to Code 8031.

2. Retail stores selling groceries, fresh fruit, vegetables, dairy products, bakery products and frozen foods shall be assigned to Code 8006 if they do not sell fresh or cured meat, fish or poultry.

3. Operations of making sausage, frankfurters, or lunch meats shall be assigned to Code 2095.

8018 WHOLESALE NOC

This classification applies to stores which are engaged in the wholesale selling of merchandise not described by a specialty wholesale store classification in the Manual whether at store locations or by mail order.

Wholesale is defined, for Michigan, as sales for resale to others. Stores assigned to this classification sell items such as those listed under “RETAIL – NOC” as well as the following:

- CHARCOAL
- FUR SKINS
- GROCERY
- HIDES AND LEATHER
- SAUSAGE CASINGS
- SAWDUST
- WIPING CLOTHS

Wholesale operations generally include the maintenance of warehouse inventories; the physical assembling, sorting and grading of goods; the breaking of bulk quantities and repackaging into smaller lots; and the promoting of sales through utilization of an outside sales force.

This classification includes package consolidators who are those receiving packages from other firms for sorting and consolidating.

This classification also applies to the freezing of fresh fruits and vegetables. It also applies to wholesale egg dealers and includes incidental egg handling operations such as sorting, candling, grading, washing and packing in cartons and crates for shipment.

This classification also applies to wholesale or retail dealers engaged principally in selling all kinds of raw or dressed animal hides, reptile skins and tanned leather. Raw hides are usually received from slaughter houses and are sorted, graded, salted by hand, and shipped to tanneries for processing. After processing at the tannery, the dressed and finished hides, skins, and leather are measured, edge trimmed by hand where necessary, stocked, and shipped. This code also includes dealers in fur skins such as mink, ermine, sable, beaver, rabbit, fox and raccoon.

OPERATIONS NOT COVERED

1. Wholesale dealers engaged principally in selling drugs and medicines shall be assigned to Code 8047.

2. Wholesale distribution of newspapers and magazines shall be assigned to Code 8745.
3. Wholesale dealers engaged in selling beer and ale in bottles, cans or kegs shall be assigned to Code 7390.

4. This classification does not include any processing operations (other than hand trimming mentioned above) by hide and leather dealers. If processing is performed it is to be separately rated.

5645 STORM DOOR OR STORM WINDOW INSTALLATION – WOOD OR METAL

3169 STOVE MANUFACTURING

STREET OR ROAD

9402 CLEANING

0042 BEAUTIFICATION WORK

Sodding, seeding, planting and similar landscaping work necessary for the beautification of roadsides.

5506 PAVING OR REPAVING

Applies to all kinds of paving or repaving, surfacing or resurfacing or scraping, including airport runways or warming aprons.

Separately rate: clearing of right-of-way, earth or rock excavation, filling or grading, tunneling, bridge or culvert building, quarrying and stone crushing.

5507 SUB-SURFACE WORK

Applies to clearing of right-of-way, earth or rock excavation, filling or grading, or tunneling.

5509 MAINTENANCE BY COUNTY OR MUNICIPAL EMPLOYEES ONLY

Applicable only to any or all of the following:

- DRAGGING
- DUST LAYING
- ERECTION OR REMOVAL OF SNOW FENCES, ROAD MARKERS, SIGNS, OR GUARD RAILS
- PATCHING
- PLANTING ON RIGHT-OF-WAY
- REMOVAL OF BRUSH
- REPAIR OR MAINTENANCE OF CULVERTS
- ROAD MARKING
- SNOW REMOVAL STREET CLEANING
- TARRING OR SANDING
- WEED OR GRASS CUTTING

Construction or reconstruction to be separately rated.

3507 CONSTRUCTION MACHINERY MANUFACTURING
5022  STUCCO OR PLASTERING WORK – ON OUTSIDE OF BUILDINGS
SUBWAY CONSTRUCTION
Assign the appropriate construction classifications.

2021  SUGAR MANUFACTURING OR REFINING

4829  SULPHUR REFINING

3581  SUPERCHARGER MANUFACTURING

4693  SURGICAL OR PHARMACEUTICAL GOODS MANUFACTURING NOC

8601  SURVEYOR
Applies to land surveying. Not applicable when engaged in actual construction.

2501  SUSPENDER MANUFACTURING
Buckle, webbing or leather parts manufacturing to be separately rated.

SWIMMING POOL

CONSTRUCTION

5538  ABOVE GROUND – METAL WITH VINYL LINER

5223  IN GROUND
Operations included in this classification are all concrete operations, any tile laying, masonry or fiberglass
work, installation of railings, diving boards, drainage and filtration systems as well as any other
miscellaneous operations for which no specific basic manual classifications exist.

SEPARATELY RATE

6217  EXCAVATION

5059  IRON OR STEEL POOLS

5645  WOOD DECK ERECTION

9015  MAINTENANCE – NO CONSTRUCTION

9015  OPERATION – PUBLIC

4829  SYNTHETIC RUBBER INTERMEDIATE MANUFACTURING
Oil refining, gasoline recovery and acetylene gas manufacturing to be separately rated.

SYRUP

2111  MANUFACTURING – FRUIT

2021  MOLASSES MANUFACTURING, BLENDING OR REFINING
<table>
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<td>TABLE PAD MANUFACTURING – FROM CARDBOARD AND FABRIC</td>
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<td>2503</td>
<td>TAILORING OR DRESSMAKING – CUSTOM EXCLUSIVELY</td>
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<td>Not manufacturing.</td>
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<td>TALC MILL</td>
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<td>4557</td>
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<td>2623</td>
<td>TANNING</td>
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<td>Applies to the tanning of animal hides.</td>
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<td>7382</td>
<td>TAXICAB COMPANY</td>
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<td>7220</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
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<td></td>
<td>For the purpose of premium calculation the following methods prevail:</td>
</tr>
<tr>
<td></td>
<td>1. The entire remuneration of all taxicab drivers shall be included in computing the premium.</td>
</tr>
<tr>
<td></td>
<td>2. Payroll records are acceptable only when they are verifiable.</td>
</tr>
<tr>
<td></td>
<td>3. When no verifiable payroll records exist, the premium charged will be determined on the basis of the amount per vehicle per policy year for vehicles shown in the rate pages under Miscellaneous Values.</td>
</tr>
<tr>
<td></td>
<td>4. If the insured rents or leases cabs to others for operation and does not maintain verifiable payroll records, the premium charged shall be the same as that specified in 3. above.</td>
</tr>
<tr>
<td></td>
<td>5. The amount per vehicle is subject to pro rata adjustment only when a vehicle is owned by the insured for a portion of the policy. The payroll amount takes into consideration downtime, vacation or other periods when the vehicle is not in operation.</td>
</tr>
<tr>
<td>8395</td>
<td>GARAGE EMPLOYEES</td>
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<td>9015</td>
<td>JANITORIAL OPERATIONS AND CUSTODIAL CARE</td>
</tr>
</tbody>
</table>
2790 TAXIDERMIST

TAXIMETER

8387 INSTALLATION OR REPAIR

3574 SPEEDOMETER MANUFACTURING

TELEPHONE, TELEGRAPH OR TELEVISION CABLE

3681 APPARATUS MANUFACTURING

5191 CABLE OR LINE INSTALLATION ENTIRELY WITHIN BUILDINGS

For telephones and computers.

COMPANY

8901 OFFICE OR EXCHANGE EMPLOYEES – NOT CLERICAL OFFICE EMPLOYEES

7600 OTHER EMPLOYEES

Includes operation, maintenance, and extension of lines and making of service connections. The production of television programs or the video taping of local events is to be separately rated as Code 7610.

7610 TELEVISION OR RADIO BROADCASTING STATION

Includes field announcers.

9519 TELEVISION OR RADIO SET INSTALLATION, SERVICE OR REPAIR

Electrical wiring, tower erection, or the installation of satellite dishes to be separately rated. Includes the installation of antennas and satellite dishes 18” or less in diameter.

TENT

Refer to “AWNING”

4024 TERRA COTTA MANUFACTURING

Applies to decorative or architectural terra cotta. Mining, quarrying or clay digging to be separately rated.

5348 TERRAZZO, MOSAIC, STONE, OR TILE WORK – INSIDE

Applies to interior construction work only. Not fireproof tile construction.

TEXTILE

2380 FIBER MANUFACTURING – SYNTHETIC

Applicable to the manufacture of rayon, acetate, nylon, polyester and similar synthetic textile fibers. Pryoxylin manufacturing to be separately rated.

2501 MENDING

Invisible textile weaving or wearing apparel.
9154 THEATER

Includes drive-in theaters. Includes managers, stage hands, box office employees, ushers or motion picture operators.

3685 THERMOMETER MANUFACTURING

5550 THERMOSTAT INSTALLATION

Applies to both electric and non-electric thermostats installed in buildings.

2380 THREAD OR YARN MANUFACTURING

8232 TIE, POST, OR POLE YARD – INCLUDES PRESERVING OPERATIONS

### Tile

9521 NON-CERAMIC FLOOR COVERING – INSTALLATION

4024 OR EARTHENWARE MANUFACTURING NOC

Includes the manufacturing of common; face; pressed or repressed building or paving bricks; sand-lime bricks; structural, fireproofing, drainage, and roofing tiles, wall copings; glazed or unglazed sewer or drain pipes or conduits; or similar products. Underground mining or quarrying to be separately rated.

5348 STONE, MOSAIC OR TERRAZZO WORK – INTERIOR

Applies to interior construction work only. Not fireproof tile construction.

5610 TIMEKEEPERS – CONSTRUCTION OR ERECTION

Not applicable to the payroll for timekeepers except when the payroll for WATCH GUARDS, timekeepers, and cleaners is more than all other payroll of the insured which is subject to construction or erection classifications at the same job or location.

3400 TINWARE MANUFACTURING

Pie plates, buckets, pails, wastebaskets, ash cans, dustpans.

TIRE DEALER

Refer to “RUBBER TIRE DEALER”.

2587 TOILET OR TOWEL SUPPLY CO – NO LAUNDRY OPERATIONS

### Tool Manufacturing

3113 AGRICULTURAL, CONSTRUCTION, LOGGING, MINING, OIL OR WATER WELL

3113 CUTTING TOOLS

3095 TOOLS, DIES, JIGS, MOLDS AND FIXTURES – HIGHLY AUTOMATED

3096 DIES, JIGS, OR FIXTURES

Includes tool details manufacturing or incidental machinery manufacturing.
3116  DIES, JIGS OR FIXTURES – NO MACHINERY OR TOOL DETAIL MANUFACTURING

DROP OR MACHINE FORGED – NOC

FORGING

MACHINING OR FINISHING

NOT DROP OR MACHINE FORGED – NOC

SHARPENING – INDUSTRIAL TOOLS

2841  TOOTHPICK MANUFACTURING – WOOD

2587  TOWEL OR TOILET SUPPLY CO – NO LAUNDRY OPERATIONS

TOWING SERVICE
  Refer to “AUTOMOBILE TOWING”

TOWNSHIP EMPLOYEE NOC
  Refer to “MUNICIPAL”

TOY MANUFACTURING

2501  CLOTH – STUFFED

4484  MOLDED PLASTIC

2841  WOOD

3507  TRACTION ENGINE OR POWER PLOW MANUFACTURING

3507  TRACTOR MANUFACTURING – CATERPILLAR TYPE

TRAILER

8393  BODY REPAIR – NOT HOME TYPE
  Applies to the repair of semi-truck trailers.

3040  BOAT MANUFACTURING

2797  HOME TYPE MANUFACTURING

9015  PARKS OR CAMPS

0106  TREE PRUNING, SPRAYING, REPAIRING, TRIMMING, OR FUMIGATING

2380  TRIMMINGS MANUFACTURING – FANCY TRIMMINGS OR PIPING

2501  TRIMMINGS OR RIBBONS – HAND SEWING ON FINISHED GARMENTS

TRUCK LEASING COMPANY – LONG TERM

8748  SALES EMPLOYEES
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8395</td>
<td>GARAGE EMPLOYEES</td>
</tr>
<tr>
<td>7382</td>
<td>TRUCK RENTAL</td>
</tr>
<tr>
<td>7212</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
<tr>
<td>8395</td>
<td>GARAGE EMPLOYEES</td>
</tr>
</tbody>
</table>

**TRUCKING**

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate “TRUCKING” classification.

Garage employees are to be separately classified as Code 8395.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7231</td>
<td>MAIL, PARCEL, OR PACKAGE DELIVERY</td>
</tr>
</tbody>
</table>

Applies to risks engaged exclusively under contract in local delivery of mail, parcels or packages limited to 100 pounds or less.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7202</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
<tr>
<td>7230</td>
<td>PARCEL OR PACKAGE DELIVERY</td>
</tr>
</tbody>
</table>

Applies to risks engaged exclusively in delivery from retail stores under term contracts.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7206</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
<tr>
<td>7219</td>
<td>NOC</td>
</tr>
</tbody>
</table>

Storage warehouse employees to be separately rated. Includes the hauling of explosives or ammunition, oil field equipment and timber products, as well as other items. Applies to truckers which do not qualify for the use of the more specific trucking classifications.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7208</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
</tbody>
</table>

TUBE MANUFACTURING

Refer to “PIPE OR TUBE”.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5022</td>
<td>TUCK POINTING</td>
</tr>
<tr>
<td>9015</td>
<td>TUNNEL (VEHICULAR) OR BRIDGE OPERATIONS</td>
</tr>
</tbody>
</table>

Includes all employees on approaches. Structural alterations or repairs to be separately rated.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6217</td>
<td>TUNNELING – NOT PNEUMATIC</td>
</tr>
<tr>
<td>2380</td>
<td>TWINE, CORDAGE OR ROPE MANUFACTURING</td>
</tr>
</tbody>
</table>

**TYPEWRITER**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3574</td>
<td>MANUFACTURING</td>
</tr>
<tr>
<td>4251</td>
<td>RIBBON ROCARBON PAPER MANUFACTURING</td>
</tr>
</tbody>
</table>

Paper manufacturing to be separately rated.
### U

<table>
<thead>
<tr>
<th>Code #</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>2501</td>
<td>UMBRELLA MANUFACTURING</td>
</tr>
<tr>
<td></td>
<td>Manufacturing of frames, handles or hardware to be separately rated.</td>
</tr>
<tr>
<td>9530</td>
<td>UNDERPINNING BUILDINGS OR STRUCTURES</td>
</tr>
<tr>
<td></td>
<td>Includes incidental shoring, removal or rebuilding of walls, foundations, columns or piers.</td>
</tr>
<tr>
<td>9620</td>
<td>UNDERTAKER</td>
</tr>
<tr>
<td>9522</td>
<td>UPHOLSTERING</td>
</tr>
<tr>
<td></td>
<td>Upholstering done away from shop to be separately classified as Code 9521.</td>
</tr>
</tbody>
</table>

**UPHOLSTERY, CARPET OR RUG CLEANING** – Commercial or Residential

<table>
<thead>
<tr>
<th>Code #</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>9015</td>
<td>AT CUSTOMER’S PREMISES</td>
</tr>
<tr>
<td>2585</td>
<td>SHOP</td>
</tr>
</tbody>
</table>
V

Code # Classification

9519  VACUUM CLEANER SERVICE OR REPAIR

3634  VALVE MANUFACTURING

4558  VARNISH OR LACQUER MANUFACTURING

5057  VAULT CONSTRUCTION OR INSTALLATION

   Applies to fire or burglar proof vaults.

8209  VEGETABLE PACKING

   Not canneries. Applies to buying or collecting from growers, sorting, grading, packing or otherwise preparing
   vegetables for transportation to market and to buyers.

5192  VENDING OR COIN OPERATED MACHINES – INSTALLATION, SERVICE OR REPAIR

   Includes storage, shop and outside operations.

2915  VENEER MANUFACTURING OR VENEER PRODUCTS MANUFACTURING

2881  VENETIAN BLIND ASSEMBLY

   Applies to assembly from manufactured parts. Includes finishing.

2143  VINEGAR MANUFACTURING

4825  VIRUS, ANTI-TOXIN OR SERUM MANUFACTURING

4829  VITRIOL MANUFACTURING

3574  VOTING MACHINE MANUFACTURING
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5538</td>
<td>WALL COVERING OR CEILING INSTALLATION – METAL</td>
</tr>
<tr>
<td></td>
<td>Includes shop.</td>
</tr>
<tr>
<td>5445</td>
<td>WALLBOARD INSTALLATION – WITHIN BUILDINGS</td>
</tr>
<tr>
<td>8291</td>
<td>COLD STORAGE</td>
</tr>
<tr>
<td></td>
<td>Applies to refrigerated storage of merchandise not owned by the risk. Drivers to be assigned to the appropriate TRUCKING – DRIVER classification.</td>
</tr>
<tr>
<td>8293</td>
<td>FURNITURE</td>
</tr>
<tr>
<td></td>
<td>Applies to the storage of furniture not owned by the risk. Includes packing or handling household goods away from the insured’s premises. Risks engaged in the storage of new furniture for manufacturers or dealers to be separately rated as Code 8292.</td>
</tr>
<tr>
<td>7214</td>
<td>DRIVERS IN CONNECTION THEREWITH</td>
</tr>
<tr>
<td>8292</td>
<td>NOC</td>
</tr>
<tr>
<td></td>
<td>Applies to the storage of general merchandise not owned by the risk. Drivers to be assigned to the appropriate TRUCKING – DRIVERS classification.</td>
</tr>
<tr>
<td></td>
<td>WASHER OR GASKET MANUFACTURING – not Metal</td>
</tr>
<tr>
<td>4279</td>
<td>BY PLATTEN PRESS</td>
</tr>
<tr>
<td>3400</td>
<td>BY PUNCH PRESS</td>
</tr>
<tr>
<td>3383</td>
<td>WATCH OR WATCH CASE MANUFACTURING</td>
</tr>
<tr>
<td>5610</td>
<td>WATCH GUARDS – CONSTRUCTION OR ERECTION</td>
</tr>
<tr>
<td></td>
<td>Not applicable to the payroll for WATCH GUARDS except when the payroll for WATCH GUARDS, timekeepers and cleaners is more than all other payroll of the insured which is subject to construction or erection classifications at the same job or location.</td>
</tr>
<tr>
<td>6319</td>
<td>MAIN OR CONNECTION CONSTRUCTION – INCLUDES TUNNERLING AT STREET CORNERS</td>
</tr>
<tr>
<td>3634</td>
<td>METER MANUFACTURING</td>
</tr>
<tr>
<td>5183</td>
<td>SOFTENER – INSTALLATION, SERVICE OR REPAIR – DOMESTIC</td>
</tr>
<tr>
<td>9402</td>
<td>WELL CLEANING – CISTERN TYPE</td>
</tr>
</tbody>
</table>
WATERPROOFING

Waterproofing, other than roofing or sub-aqueous work, when performed as a separate operation not a part of, or incidental to, any other construction operations performed by the same contractor at the same job or location shall be classified in accordance with the following:

5476 1. Application by means of brush or hand pressured caulking gun

2. Application by means of trowel

5480 Interior of Buildings

5022 Outside of Buildings

5213 3. Application by means of spray gun, cement gun, concrete gun or other pressure apparatus except as provided in 4.below.

9015 4. Application to exterior walls of foundations or subterranean structures by means of apparatus inserted in the ground.

Excavation incidental to waterproofing operations to be separately rated.

7520 WATERWORKS OPERATION

Construction of aqueducts, buildings or reservoirs to be separately rated.

4557 WAX OR WAX PRODUCTS MANUFACTURING

5437 WEATHER STRIPPING INSTALLATION

2380 WEBBING MANUFACTURING

WEIGHERS

SAMPLERS OR INSPECTORS OF MERCHANDISE ON VESSELS OR DOCKS OR AT RAILWAY STATIONS OR WARHOUSES

8709F COVERAGE UNDER US ACT

8292 COVERAGE UNDER STATE ACT

WELDING

3365 CUTTING NOC

Work in connection with the erection of iron or steel structures or bridges shall be rated under the appropriate iron or steel erection code. Work in connection with oil or gas pipeline construction shall be rated as Code 6319.

Applies to both shop and outside work and includes incidental machining operations.

The manufacture or fabrication of a specific product or products is to be separately rated under the appropriate manufacturing code.

3257 ROD MANUFACTURING

3634 TORCH MANUFACTURING
6204  WELL DRILLING – NOT OIL OR GAS
2688  WELTING MANUFACTURING – LEATHER, LATEX, BURLAP, PAPER, TWINCE, ETC
3113  WHEELBARROW MANUFACTURING
4902  WHIP MANUFACTURING
4558  WHITING MANUFACTURING
2790  WILLOW, RATTAN, OR TWISTED FIBER PRODUCTS MANUFACTURING
5057  WINDMILL ERECTION – METAL

WINDOW
9015  CLEANING
3076  SASH MANUFACTURING – ALUMINUM
5645  SCREEN OR SCREEN DOOR INSTALLATION – METAL OR WOOD
2501  SHADE MANUFACTURING
Roller manufacturing to be separately rated. Installation to be rated as Code 9521.
9521  TRIMMING
2143  WINERY

WIRE
3257  CLOTH MANUFACTURING
Wire drawing to be separately rated as Code 3241.
3241  DRAWING OR CABLE MANUFACTURING
3257  FENCE MANUFACTURING
3257  GOODS MANUFACTURING NOC
Wire drawing to be separately rated as Code 3241.
4470  INSULATING OR COVERING
Includes incidental wire stranding. Wire drawing to be separately rated as Code 3241.
3257  MATTRESS OR BED SPRING MANUFACTURING
Box spring manufacturing to be separately rated as Code 2501.
3257  ROPE OR CABLE MANUFACTURING – IRON OR STEEL
No wire drawing.
WOOD
CARVING
2790       BY HAND
2841       BY MACHINE
8232       DEALERS – KINDLING AND FIREWOOD
2014       FLOUR MANUFACTURING
8232       PRESERVING – INCLUDES YARD OR INCIDENTAL WOOD WORKING OPERATIONS
2841       TURNED PRODUCTS MANUFACTURING NOC
2841       WOODENWARE MANUFACTURING NOC
3628       WOODWORKING MACHINE MANUFACTURING

WOOL
2623       PULLING
2380       SEPARATING

Applies to chemical separation of wool from cotton

WRECKING BUILDINGS OR STRUCTURES

COMPLETE
Wrecking or demolition operations shall be classified under the classification which would have applied to the construction of the building.

For example:
5645       WOOD OR WOOD FRAME BUILDINGS – RESIDENTIAL
5403       WOOD OR WOOD FRAME BUILDINGS – COMMERCIAL
5022       MASONRY BUILDINGS OR STRUCTURES

Iron or Steel Buildings or Structures – Use the appropriate iron or steel erection code.

Where wrecking or demolition involves a building or structure of more than one type of construction, use the code which represents the major construction type of the building or structure.

PARTIAL OR STRIP-OUT
Partial or strip-out wrecking or demolition operations shall be assigned to the construction or erection code which represents the installation or erection of the items being removed.

For example:
5183       REMOVAL OF PIPE INSULATION
5479  REMOVAL OF WALL INSULATION

5190  REMOVAL OF BUILDING ELECTRICAL WIRING

Where more than one kind of partial or strip-out demolition is done at the same location and payroll records do not reflect the division of the payroll, the entire payroll for the job shall be assigned to the highest rated classification which applies at the job location.
<table>
<thead>
<tr>
<th>Code #</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>5191</td>
<td>X-RAY EQUIPMENT – SALES, INSTALLATION, SERVICE AND REPAIR</td>
</tr>
<tr>
<td>4131</td>
<td>X-RAY TUBE MANUFACTURING</td>
</tr>
<tr>
<td>Code</td>
<td>Classification</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>2380</td>
<td>YARN OR THREAD MANUFACTURING</td>
</tr>
<tr>
<td>6504</td>
<td>YEAST MANUFACTURING</td>
</tr>
<tr>
<td>9063</td>
<td>YMCA, YWCA, YMHA, OR YWHA INSTITUTION</td>
</tr>
</tbody>
</table>

Includes teachers and instructors. Camp operations to be separately rated as Code 9015.
Z

Code # Classification

3131 ZIPPER MANUFACTURING
PART THREE – RETROSPECTIVE RATING PLAN

Introduction

The rules contained in this manual apply only to workers compensation and employers liability insurance, whether written alone or in combination with other commercial casualty insurance. A retrospective rating plan is based on a mutual agreement between the insured and the carrier. Refer to the Retrospective Rating Plan issued by the Insurance Service Office for rules that govern other commercial casualty lines of insurance.

Premium under a retrospective rating plan is the direct result of incurred losses. A retrospective rating plan reflects the cost of losses plus the insurance carrier’s expenses in providing this insurance.
Rule 1 – General Explanation

A. Object of the Plan
   The application of this Plan is optional and may be used only upon election by insured and acceptance by the insurance carrier.

A retrospective rating plan adjusts the premium for the insured’s policy on the basis of losses incurred during the term of that policy. The intent is to charge premium that reflects the actual experience of the insured based on the insured’s individual loss history during the policy term. A retrospective rating plan uses the losses incurred during the term of the policy to establish the cost of insurance, and it includes provisions for all expenses and taxes on premium.

B. Definitions
   1. General Definitions
      a. Allocated Loss Adjustment Expense (ALAE)
         Allocated loss adjustment expense for workers compensation and employers’ liability insurance, as defined in the Statistical Plan, may also be included as part of incurred losses under a retrospective rating plan if agreed upon by the insured and carrier. This will be called the Allocated Loss Adjustment Expense Option (ALAE Option).
      b. Increased Limits
         The policy provides for increased limits for employers liability coverage. The losses may be subject to the retrospective rating loss limitation. The premium for employers liability increased limits is based on the percentages provided in MWCPF’s Basic Manual.
      c. Incurred Losses
         Incurred losses for workers compensation and employers liability insurance are defined in the Statistical Plan. Incurred losses include paid and outstanding losses.

         If the ALAE Option is elected, then incurred losses will include ALAE.

         Refer to Rule 1-B-1-a of this manual for the definition of Allocated Loss Adjustment Expense (ALAE) when including ALAE as part of incurred losses.

         Note: The rating formula for incurred losses will not include a loss:
            • Resulting from the non-ratable element codes
            • For the disease-related portion of losses covered under the Federal Mine Safety and Health Act
            • Resulting from the application of catastrophe provisions as outlined in MWCPF’s Basic Manual and Statistical Plan
            • Reported as fully fraudulent according to the Statistical Plan
            • Reported as non-compensable according to the Statistical Plan

      d. Large Risk Alternative Rating Option (LRARO)
The Large Risk Alternative Rating Option is a flexible retrospective rating plan that is mutually agreed to by the employer and carrier. It is an available option for policies that meet or exceed a specific premium eligibility threshold.

Refer to Rule 2-E for the state-specific premium eligibility thresholds.

e. Loss Limitation
A loss limitation is the limit placed on a claim dollar amount that is to be included in the retrospective rating plan calculation. This is an elective element agreed upon by the insured and carrier; there is an additional charge associated with a loss limitation.

f. Standard Premium
For purposes of the retrospective rating plan, standard premium is determined on the basis of authorized rates, any experience rating modification, and minimum premiums. Determination of standard premium excludes:

1) Premium discount
2) Expense constant
3) Premium resulting from the non-ratable element codes
4) Premium developed by the occupational disease rates for employers subject to the Federal Mine Safety and Health Act
5) Premium developed by the catastrophe provisions as outlined in MWCPF’s Basic Manual

g. Unallocated Loss Adjustment Expense (ULAE)
Unallocated loss adjustment expense for workers compensation and employers’ liability insurance is defined in the Statistical Plan. Unallocated loss adjustment expense includes the general overhead of a carrier.

2. Elements of the Retrospective Rating Plan Formula
The following formula includes all of the elective elements available under a retrospective rating plan. For other variations of the retrospective rating formula, refer to Rule 3.

\[
\text{Retrospective Rating Premium} = (\text{Basic Premium} + \text{Excess Loss Premium} + \text{Retrospective Development Premium} + \text{Converted Losses}) \times \text{Tax Multiplier}
\]

a. Retrospective Rating Premium (RRP)
Retrospective rating premium is the premium based on the application of retrospective rating plan elements as a result of a mutual agreement between the insured and carrier.

b. Basic Premium (BP)
Basic premium is a percentage of standard premium. It is determined by multiplying the standard premium by a basic premium factor. The basic premium factor is developed by the carrier and includes:
• General administration costs of the carrier
• Related loss control service cost
• Net aggregate loss factor

The basic premium factor does not cover premium taxes or claims adjustment expenses. Those elements are usually provided for in the tax multiplier and the loss conversion factor.

c. Converted Losses
Converted losses are based on the incurred losses of the insured for the policy or policies to which a retrospective rating plan applies. A loss conversion factor is applied to incurred losses to produce the converted incurred losses: \( \text{Losses} \times \text{LCF} \)

d. Loss Conversion Factor (LCF)
The loss conversion factor covers the cost of the carrier’s claim services (e.g., investigation of claims and filing claim reports). The loss conversion factor is established by negotiation between the insured and carrier.

If the ALAE option is elected as part of incurred losses, the loss conversion factor must be adjusted to exclude ALAE.

e. Excess Loss Premium
Excess loss premium (ELP) is a charge for election of a loss limitation. It is applied after the basic premium in the retrospective rating plan formula. The ELP calculation is:

\[
\text{ELP} = \text{Excess Loss Factor} \times \text{Standard Premium} \times \text{Loss Conversion Factor}
\]

1. Excess Loss Factors
Excess loss factors are used in the calculation of excess loss premium. Excess loss factors are also known as excess loss premium factors.

2. Excess Loss Factor Determination
MWCPF files excess loss pure premium factors, as well as excess loss and allocated expense pure premium factors, which include a provision for allocated loss adjustment expenses. The excess loss pure premium factors and excess loss and allocated expense pure premium factors must be converted to excess loss factors or excess loss and allocated expense factors using the carrier’s expense provisions applicable in each state.

Refer to the State Special Rating Values pages for the excess loss factors or excess loss pure premium factors.

a. The formula for converting an excess loss pure premium factor to an excess loss factor is:
Excess Loss Factor = [(Excess Loss Pure Premium Factor x Expected Loss Ratio) x (1 + Loss Adjustment Expense % + Loss Assessment %)]

The formula for converting an excess loss and allocated expense pure premium factor to an excess loss and allocated expense factor is:

Excess Loss and Allocated Expense Factor = (Excess Loss and Allocated Expense Pure Premium Factor x Expected Loss Ratio) x (1 + Loss Adjustment Expense % + Loss Assessment %)

The carrier determines the Expected Loss Ratio (ELR). ELR is a ratio of pure losses (no LAE) to premium.

Refer to the latest approved state loss cost filing for the Loss Adjustment Expense (LAE) % and Loss Assessment %.

b. The Table of Classification by Hazard Group is used to determine the excess loss factor. This factor is determined based on the selected loss limitation and the hazard group assignment shown in the Table. For policies with exposure from multiple hazard groups, the excess loss factor can be determined by multiplying the policy excess ratio by the expected loss ratio, where the policy excess ratio is calculated as the total expected excess loss divided by total expected loss. Refer to Appendix D for the Basic Premium Factor Calculation Example. Refer to the Basic Manual for the Table of Classification by Hazard Group.

For employers having USL&HW coverage for non-F-classification codes, the applicable hazard group to use for the determination of an excess loss factor is the state classification code hazard group increased by two levels. When the state classification hazard group is already at the highest level hazard group, use that highest level hazard group.

c. For the classification codes that include federal coverages (or F-classification codes), use the hazard group assigned to that code.

<table>
<thead>
<tr>
<th>State Classification Hazard Group</th>
<th>USL&amp;HW Hazard Groups for Non-F Classification Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>C</td>
</tr>
<tr>
<td>B</td>
<td>D</td>
</tr>
<tr>
<td>C</td>
<td>E</td>
</tr>
<tr>
<td>D</td>
<td>F</td>
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<tr>
<td>E</td>
<td>G</td>
</tr>
<tr>
<td>F</td>
<td>G</td>
</tr>
<tr>
<td>G</td>
<td>G</td>
</tr>
</tbody>
</table>
f. Retrospective Development Premium (RDP)

Retrospective development premium (RDP) is an elective element that varies by state. It stabilizes premium adjustments for an employer written under a retrospective rating plan by anticipating future changes in losses. The RDP calculation is:

\[ \text{RDP} = \text{Standard Premium} \times \text{Retrospective Development Factor} \times \text{Loss Conversion Factor} \]

1. Retrospective Development Factor

The retrospective development factor anticipates a pattern of increasing valuation of losses after the policy is expired. The retrospective development factor is included in the first three calculations of the retrospective premium.

2. Retrospective Development Factor Determination

a. Retrospective pure premium development factors (ELPPF’s) are filed. The retrospective pure premium development factors must be converted to retrospective development factors using the carrier’s expense provisions. Refer to the State Special Rating Values pages for the retrospective development factors or retrospective pure premium development factors.

b. The formula for converting a retrospective pure premium development factor to a retrospective development factor is:

\[ \text{Retrospective Development Factor} = \text{Retrospective Pure Premium Development Factor} \times \text{Expected Loss Ratio} \times (1 + \text{Loss Adjustment Expense \%} + \text{Loss Assessment \%}) \]

The carrier determines the Expected Loss Ratio (ELR). ELR is a ratio of pure losses (no LAE) to premium.

Refer to the latest approved state loss cost filing for the Loss Adjustment Expense (LAE) % and Loss Assessment %.

g. Tax Multiplier

Tax multiplier generally cover licenses, fees, assessments, and taxes that the carrier must pay on the premium collected in an individual state.

Refer to NCCI’s Tax and Assessment Directory for the individual state tax multiplier.

h. Maximum Retrospective Premium

Maximum retrospective premium is a percentage of the standard premium determined by the application of a maximum retrospective rating plan premium factor. It is the greatest amount of premium payable by an insured subject to a retrospective rating plan. Maximum
retrospective premium places a limit on the impact of incurred losses on a retrospective rating plan premium. It is established by an agreement between the insured and carrier.

i. Minimum Retrospective Premium
Minimum retrospective premium is a percentage of the standard premium determined by the application of a minimum retrospective premium factor. It is the least amount of premium payable by an insured subject to the retrospective rating plan. A minimum retrospective premium factor is established by an agreement between the insured and carrier.

C. Application of Policy Premium Elements
Refer to the state premium algorithms in MWCPF’s Basic Manual for information on the application of the policy premium elements.
Rule 2 – Eligibility for the Plan

A. Combination of Multiple Workers Compensation Policies
   Insureds with two or more workers compensation and employers liability insurance policies may be combined for the application of a retrospective rating plan, providing there is common majority ownership as defined in MWCPF’s Experience Rating Plan Manual.

B. Combination of Insurances
   When a retrospective rating plan includes workers compensation and employers liability insurance and other commercial casualty insurance, the total retrospective rating premium, including the minimum and maximum retrospective premium, is determined on the basis of premium for all lines of insurance in a retrospective rating plan.

   Retrospective rating may be applied to any of the following types of insurance alone or any combination of such insurance:
   • Workers compensation and employers liability insurance
   • Any other commercial casualty lines of insurance

   For illustrations and examples of combinations, refer to the Retrospective Rating Plan Manual issued by the Insurance Services Office.

C. One-Year Plan
   An insured is eligible for a one-year plan if the estimated standard premium is at least $25,000.

   A different premium eligibility level may be used if filed by an individual carrier, subject to regulatory approval.

D. Large Risk Alternative Rating Option (LRARO)
   This rule does not apply in Michigan.

E. Wrap-Up Construction Projects
   Two or more policies on a wrap-up construction project may be combined for the purpose of retrospective rating in accordance with MWCPF’s Basic Manual rules. Wrap-up construction projects may be written on a single state basis only.

F. Carrier-Filed Programs
   Carriers have the option to file their own retrospective rating plans with the appropriate state regulatory authority. These carrier-filed programs may deviate as follows, but are not limited to:
   • Premium eligibility thresholds
   • Tables located in the Appendix section of this manual

Rule 3 – Operation of the Plan

A. Purpose
   The negotiating process between the insured and carrier is the basis on which a retrospective rating plan provides flexibility in order to meet the needs and characteristics of an insured. As a result of this
negotiation, factors for a retrospective rating plan are determined for each insured by agreement between the insured and carrier. A completed Notice of Election of Retrospective Rating Plan form signed by the insured outlines the parameters for a retrospective rating plan. Refer to the User’s Guide for a sample form.

When a retrospective rating plan includes workers compensation and employers’ liability insurance and other commercial casualty lines of insurance, the total retrospective rating premium, including the minimum and maximum retrospective rating premium, is determined on the basis of all insurance policies in a retrospective rating plan.

B. Explanation of Appendices
The following is an explanation of the appendices which contain values used in the calculation of retrospective rating premium:

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Used to determine the applicable Sub-table and Expected Claim Count Group for use with the Table of Aggregate Loss Factors.</td>
</tr>
<tr>
<td>B</td>
<td>Used to determine the net aggregate loss factor to be included in the basic premium factor.</td>
</tr>
<tr>
<td>C</td>
<td>Required MWCPF Retrospective Rating Plan forms</td>
</tr>
<tr>
<td>D</td>
<td>Basic Premium Factor Calculation Example</td>
</tr>
</tbody>
</table>

C. The Retrospective Rating Premium Without Elective Premium Elements
The premium for an employer subject to a retrospective rating plan is determined by the following retrospective rating premium formula.

\[
\text{Retrospective Rating Premium} = [\text{Basic Premium} + \text{Converted Losses}] \times \text{Tax Multiplier}
\]

The retrospective rating premium will not be less than the minimum retrospective rating premium or more than the maximum retrospective rating premium selected for a retrospective rating plan.

If the employer for which a retrospective rating plan is applied includes more than one legal entity, a single retrospective rating premium is calculated on the basis of the combined entities.

Note: Employers with an estimated annual standard premium of a specified premium eligibility threshold requirement and basis may be rated under the Large Risk Alternative Rating Option. This option provides that such employers may be retrospectively rated as mutually agreed upon by the employer and carrier. Refer to Rule 2-E for premium eligibility thresholds.

D. The Retrospective Rating Premium With Additional Elective Premium Elements
The premium for a retrospective rating plan with elective premium elements is determined by the following retrospective premium formula. The elective elements used in the formula will depend on whether the elective premium elements are included in a retrospective rating plan agreement.
Retrospective Rating Premium = [Basic Premium + Excess Loss Premium + Retrospective Development Premium + Converted Losses] x Tax Multiplier

The result of the above calculation is a retrospective rating premium when the insured has elected one or more of the elective premium elements.

A retrospective rating premium will not be less than the minimum retrospective rating premium or more than the maximum retrospective rating premium selected for a retrospective rating plan.

E. Calculation of Retrospective Rating Premium
Under these rules, retrospective rating premiums are always calculated by the carrier, using premium and loss data that has been reported according to the Statistical Plan. The number of subsequent calculations is determined as part of the agreement between the insured and carrier.

1. First Calculation of Retrospective Rating Plan
Under these rules, retrospective rating premium is calculated by the carrier, as soon as practicable. The calculation will include the premium and loss data valued in the sixth month after the expiration date of the rating plan period and annually thereafter, in accordance with the Statistical Plan. The carrier will notify the insured and return premium if the retrospective rating premium is less than premium previously paid, or the insured will pay any premium greater than premium previously paid, subject to the maximum and minimum retrospective premiums.

Note: In certain situations, the carrier may make an early calculation of retrospective premium. Such situations may include when the insured has filed or is in bankruptcy, liquidation, reorganization, receivership, assignment for benefit of creditors, or other similar situations.

2. Subsequent Calculations of Retrospective Rating Plan
If subsequent calculations are to be completed as part of a retrospective rating plan agreement, then the calculations will be made by the carrier 12 months after the initial calculation and then in 12-month intervals thereafter. The procedures for the subsequent calculations are the same as described in Rule 3-E-1.

3. Final Calculation of Retrospective Rating Plan
Subsequent calculations of retrospective rating premium will be issued by the carrier in accordance with Rule 3-E-2 until both the insured and carrier agree that the latest calculation will be the final retrospective rating premium under a Plan. After the final retrospective premium calculation, a revision of that premium adjustment is permitted in accordance with the Statistical Plan.

F. Cancellation of a Policy Under a Retrospective Rating Plan

1. Reasons for Cancellation and Retrospective Rated Premium Determination
The cancellation conditions of the standard policy permit cancellation by the insured or carrier. The premium determination for a cancelled policy is outlined in MWCPF’s Basic Manual.
### Cancellation Provisions Table 1

<table>
<thead>
<tr>
<th>If . . .</th>
<th>Then . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>The policy is cancelled by the insurance carrier, except for nonpayment of premium</td>
<td>1. The standard premium for the cancelled policy is calculated on a pro rata basis as outlined in MWCPF’s Basic Manual.</td>
</tr>
<tr>
<td></td>
<td>2. Basic premium and, if applicable, excess loss premium and retrospective development premium is calculated by using the pro rata standard premium calculated in 1.</td>
</tr>
</tbody>
</table>

### Cancellation Provisions Table 2

<table>
<thead>
<tr>
<th>If . . .</th>
<th>Then . . .</th>
</tr>
</thead>
</table>
| The policy is cancelled by the insured when retiring from business such that:  
  - All the work covered by the policy has been completed, or  
  - All interest in any business covered by the policy has been sold, or  
  - The insured has retired from all business covered by the policy | 1. The standard premium for the cancelled policy is calculated on a pro rata basis as outlined in MWCPF’s Basic Manual. |
| | 2. Basic premium and, if applicable, excess loss premium and retrospective development premium is calculated by using the pro rata standard premium calculated in 1. |

### Cancellation Provisions Table 3

<table>
<thead>
<tr>
<th>If . . .</th>
<th>Then . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>The policy is cancelled by the insured, except when retiring from the business</td>
<td>1. The standard premium for the cancelled policy is calculated on a short-rate basis as outlined in NCCI’s Basic Manual.</td>
</tr>
<tr>
<td>2. Basic premium and, if applicable, excess loss premium and retrospective development premium is calculated by using the short-rate standard premium as calculated in 1.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
<tr>
<td>3. Minimum retrospective premium is the short-rate standard premium calculation.</td>
<td></td>
</tr>
<tr>
<td>4. Maximum retrospective premium is based on standard premium. It is calculated by using the actual payroll for the period that the policy was in effect, extending that payroll pro rata to an annual basis, and then multiplying such extended payroll by the authorized rates and experience rating modification.</td>
<td></td>
</tr>
</tbody>
</table>

2. **Cancellation for Non-Payment of Premium**

   If the cancellation by the carrier is because of nonpayment of premium by the insured, the maximum retrospective premium is based on the calculated standard premium for the cancelled policy, extended pro rata to an annual basis.
Rule 4 – Administration of the Plan

A. Retrospective Rating Endorsements
   All MWCPF’s filed and approved retrospective rating plan endorsements are located in the Basic Manual. Refer to the User’s Guide for a listing and purpose of the filed and approved retrospective rating plan endorsements.

B. Reports of Premiums and Losses Under the Plan
   The standard premium and losses incurred under a retrospective rating plan policy must be reported in accordance with CAOM’s Statistical Plan and Financial Call Reporting Guidebook.

   For Financial Call reporting instructions on any additional or return premium under the retrospective rating program, refer to CAOM’s Financial Call Reporting Guidebook.
## Appendix A

### 2013 – Table of Expected Loss Ranges

<table>
<thead>
<tr>
<th>Expected Loss Group</th>
<th>Range Rounded Values</th>
<th>Expected Loss Group</th>
<th>Range Rounded Values</th>
<th>Expected Loss Group</th>
<th>Range Rounded Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>75</td>
<td>40,804 – 44,839</td>
<td>45</td>
<td>456,099 – 496,209</td>
<td>15</td>
<td>91,806,464 – 135,781,024</td>
</tr>
<tr>
<td>71</td>
<td>58,845 – 64,233</td>
<td>41</td>
<td>649,244 – 715,710</td>
<td>11</td>
<td>464,933,745 – 735,711,389</td>
</tr>
<tr>
<td>70</td>
<td>64,234 – 70,065</td>
<td>40</td>
<td>715,711 – 790,930</td>
<td>10</td>
<td>735,711,390 – 1,164,190,072</td>
</tr>
<tr>
<td>69</td>
<td>70,066 – 76,421</td>
<td>39</td>
<td>790,931 – 874,056</td>
<td>9</td>
<td>1,164,190,073 – &amp; over</td>
</tr>
<tr>
<td>68</td>
<td>76,422 – 82,857</td>
<td>38</td>
<td>874,057 – 965,918</td>
<td></td>
<td></td>
</tr>
<tr>
<td>67</td>
<td>82,858 – 89,499</td>
<td>37</td>
<td>965,919 – 1,073,888</td>
<td></td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>89,500 – 96,673</td>
<td>36</td>
<td>1,073,889 – 1,205,737</td>
<td></td>
<td></td>
</tr>
<tr>
<td>85</td>
<td>13,788 – 15,593</td>
<td>55</td>
<td>208,013 – 224,126</td>
<td>25</td>
<td>5,515,491 – 7,018,621</td>
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<td>15,594 – 17,628</td>
<td>54</td>
<td>224,127 – 242,337</td>
<td>24</td>
<td>7,018,622 – 8,931,401</td>
</tr>
<tr>
<td>83</td>
<td>17,629 – 19,908</td>
<td>53</td>
<td>242,338 – 262,103</td>
<td>23</td>
<td>8,931,402 – 11,412,761</td>
</tr>
<tr>
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<td>19,909 – 22,151</td>
<td>52</td>
<td>262,104 – 283,489</td>
<td>22</td>
<td>11,412,762 – 14,603,708</td>
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<tr>
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<td>22,152 – 24,645</td>
<td>51</td>
<td>283,490 – 306,608</td>
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<td>14,603,709 – 18,686,828</td>
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<td>419,231 – 456,098</td>
<td>16</td>
<td>62,073,666 – 91,806,463</td>
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<tr>
<td>75</td>
<td>40,804 – 44,839</td>
<td>45</td>
<td>456,099 – 496,209</td>
<td>15</td>
<td>91,806,464 – 135,781,024</td>
</tr>
<tr>
<td>71</td>
<td>58,845 – 64,233</td>
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<td>715,711 – 790,930</td>
<td>10</td>
<td>735,711,390 – 1,164,190,072</td>
</tr>
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<td>70,066 – 76,421</td>
<td>39</td>
<td>790,931 – 874,056</td>
<td>9</td>
<td>1,164,190,073 – &amp; over</td>
</tr>
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<td>76,422 – 82,857</td>
<td>38</td>
<td>874,057 – 965,918</td>
<td></td>
<td></td>
</tr>
<tr>
<td>67</td>
<td>82,858 – 89,499</td>
<td>37</td>
<td>965,919 – 1,073,888</td>
<td></td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>89,500 – 96,673</td>
<td>36</td>
<td>1,073,889 – 1,205,737</td>
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<td></td>
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### Table of Policy Excess Ratio Ranges

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<tr>
<td>3</td>
<td>0.027</td>
</tr>
<tr>
<td>4</td>
<td>0.052</td>
</tr>
<tr>
<td>5</td>
<td>0.078</td>
</tr>
<tr>
<td>6</td>
<td>0.110</td>
</tr>
<tr>
<td>7</td>
<td>0.144</td>
</tr>
<tr>
<td>8</td>
<td>0.179</td>
</tr>
<tr>
<td>9</td>
<td>0.218</td>
</tr>
<tr>
<td>10</td>
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<td>11</td>
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<td>12</td>
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<td>17</td>
<td>0.759</td>
</tr>
<tr>
<td>18</td>
<td>0.848</td>
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</tbody>
</table>
### Table of Expected Claim Count Groups

<table>
<thead>
<tr>
<th>Expected Claim Count Group</th>
<th>Expected Number of Claims (Rounded Values)</th>
<th>Expected Claim Count Group</th>
<th>Expected Number of Claims (Rounded Values)</th>
<th>Expected Claim Count Group</th>
<th>Expected Number of Claims (Rounded Values)</th>
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</thead>
<tbody>
<tr>
<td>94</td>
<td>0.00 – 0.12</td>
<td>67</td>
<td>3.27 – 3.56</td>
<td>40</td>
<td>45.8 – 51.6</td>
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<tr>
<td>93</td>
<td>0.13 – 0.15</td>
<td>64</td>
<td>4.27 – 4.66</td>
<td>36</td>
<td>66.4</td>
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<tr>
<td>92</td>
<td>0.16 – 0.19</td>
<td>65</td>
<td>3.90 – 4.26</td>
<td>35</td>
<td>86.5 – 99.2</td>
</tr>
<tr>
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<td>0.20 – 0.23</td>
<td>64</td>
<td>4.27 – 4.66</td>
<td>35</td>
<td>99.3</td>
</tr>
<tr>
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<td>0.24 – 0.27</td>
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<td>4.67 – 5.09</td>
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<td>114</td>
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<tr>
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<td>0.28 – 0.32</td>
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<td>5.10 – 5.57</td>
<td>33</td>
<td>133</td>
</tr>
<tr>
<td>88</td>
<td>0.33 – 0.38</td>
<td>61</td>
<td>5.58 – 6.09</td>
<td>32</td>
<td>154</td>
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<tr>
<td>87</td>
<td>0.39 – 0.44</td>
<td>60</td>
<td>6.10 – 6.67</td>
<td>31</td>
<td>155 – 181</td>
</tr>
<tr>
<td>86</td>
<td>0.45 – 0.51</td>
<td>59</td>
<td>6.68 – 7.30</td>
<td>30</td>
<td>182 – 213</td>
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<tr>
<td>85</td>
<td>0.52 – 0.59</td>
<td>58</td>
<td>7.31 – 8.00</td>
<td>29</td>
<td>214 – 253</td>
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<tr>
<td>84</td>
<td>0.60 – 0.66</td>
<td>57</td>
<td>8.01 – 8.77</td>
<td>28</td>
<td>254 – 302</td>
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<tr>
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<td>0.67 – 0.75</td>
<td>56</td>
<td>8.78 – 9.62</td>
<td>27</td>
<td>303 – 364</td>
</tr>
<tr>
<td>82</td>
<td>0.76 – 0.84</td>
<td>55</td>
<td>9.63 – 10.6</td>
<td>26</td>
<td>365 – 442</td>
</tr>
<tr>
<td>81</td>
<td>0.85 – 0.94</td>
<td>54</td>
<td>10.7 – 11.6</td>
<td>25</td>
<td>443 – 543</td>
</tr>
<tr>
<td>80</td>
<td>0.95 – 1.05</td>
<td>53</td>
<td>11.7 – 12.8</td>
<td>24</td>
<td>484 – 673</td>
</tr>
<tr>
<td>79</td>
<td>1.06 – 1.17</td>
<td>52</td>
<td>12.9 – 14.1</td>
<td>23</td>
<td>544 – 763</td>
</tr>
<tr>
<td>78</td>
<td>1.18 – 1.29</td>
<td>51</td>
<td>14.2 – 15.5</td>
<td>22</td>
<td>674 – 845</td>
</tr>
<tr>
<td>77</td>
<td>1.30 – 1.42</td>
<td>50</td>
<td>15.6 – 17.2</td>
<td>21</td>
<td>846 – 1,080</td>
</tr>
<tr>
<td>76</td>
<td>1.43 – 1.57</td>
<td>49</td>
<td>17.3 – 19.0</td>
<td>20</td>
<td>1,081 – 1,400</td>
</tr>
<tr>
<td>75</td>
<td>1.58 – 1.73</td>
<td>48</td>
<td>19.1 – 21.0</td>
<td>19</td>
<td>1,401 – 1,840</td>
</tr>
<tr>
<td>74</td>
<td>1.74 – 1.89</td>
<td>47</td>
<td>21.1 – 23.4</td>
<td>18</td>
<td>2,491 – 3,450</td>
</tr>
<tr>
<td>73</td>
<td>1.90 – 2.08</td>
<td>46</td>
<td>23.5 – 26.0</td>
<td>17</td>
<td>3,451 – 4,930</td>
</tr>
<tr>
<td>72</td>
<td>2.09 – 2.27</td>
<td>45</td>
<td>26.1 – 28.9</td>
<td>16</td>
<td>4,931 – 7,330</td>
</tr>
<tr>
<td>71</td>
<td>2.28 – 2.49</td>
<td>44</td>
<td>29.0 – 32.3</td>
<td>15</td>
<td>7,331 – above</td>
</tr>
<tr>
<td>70</td>
<td>2.50 – 2.72</td>
<td>43</td>
<td>32.4 – 36.2</td>
<td>14</td>
<td>above</td>
</tr>
<tr>
<td>69</td>
<td>2.73 – 2.98</td>
<td>42</td>
<td>36.3 – 40.6</td>
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<td>above</td>
</tr>
<tr>
<td>68</td>
<td>2.99 – 3.26</td>
<td>41</td>
<td>40.7 – 45.7</td>
<td>12</td>
<td>above</td>
</tr>
</tbody>
</table>
Appendix B

Table of Aggregate Loss Factors

The Table of Aggregate Loss Factors\(^1\) is available in a [downloadable format](#) and is effective January 1, 2020 in Michigan.

ALF's On Demand is an alternative option that provides real-time calculations for retrospectively rated policies.

\(^1\) Carriers must choose, on a state-by-state basis, whether to exclusively use either the Table of Aggregate Loss Factors or ALFs on Demand to calculate the net aggregate loss factors for the retrospectively rated policies in their book of business on an annual basis. Carriers do not need to make their own filing in each state declaring which option they intend to use, unless this is specifically requested or required by the state.

**Table of Insurance Charges**

Will be added subsequent to retro plan update filing approval.
Appendix C

NOTICE OF ELECTION OF RETROSPECTIVE RATING PLAN

The undersigned certifies that the named insured has elected the use of the Retrospective Rating Plan as detailed below. It is also certified that the insured understands all terms, conditions and provisions of the Plan, including the method of premium computation, payment and penalties for cancellation.

This Plan shall apply to all policies indicated below effective: __________________________

1. Name of Insured: ______________________________________________________________

2. Address of Insured: _____________________________________________________________

3. Policy Number(s)                                Effective Date(s)

   __________________________  __________________________

   __________________________  __________________________

   __________________________  __________________________

   __________________________  __________________________

_________________________________________     __________________________

Signature of Insured     Date Signed

(Proprietor, Partner or Authorized Office of Corporation)

NOTE: This letter is subject to the Retrospective Rating Plan(s) in effect.  

Form MRR
NOTICE OF COVERAGE

This Notification of Coverage shall be sent to the Facility not later than 60 days after Plan effective date shown below:

NAME OF INSURED: ____________________________

CARRIER: ___________________________________

POLICY NUMBER(S): __________________________ PLAN EFFECTIVE DATE: __________

<table>
<thead>
<tr>
<th>Estimated Annual Standard Premium</th>
<th>Class Code Number*</th>
<th>Name of Insured</th>
<th>Policy Number</th>
<th>Effective Date</th>
</tr>
</thead>
</table>

*Show which class produces the largest amount of estimated premium.

Term of Plan = 1 Year

This Notification of Coverage is based on the insured’s election to be subject to the Plan and the Facility’s acceptance of election having been executed and retained in servicing carrier’s file.

Signed by: ____________________________ Date Signed: ______________

Form MRR-1
FACILITY APPROVAL OF FINAL COMPUTATION OF RETROSPECTIVE PREMIUM

The retrospective premium computation dated _________________ for policy number(s) ______
__________________________ is the final premium computation for this policy.

No further adjustments will be made to this premium except in the case of clerical error.

Approved by the Insured: ________________________________  _________________

                     Signature                      Title

                     ________________________________

                                Date

Approved by the Facility: ________________________________  _________________

                     Signature                      Title

                     ________________________________

                                Date

Form MRR-2
Appendix D

Basic Premium Factor Calculation Example

The following example is for illustrative purposes only. It is not intended as a recommendation and is not to be interpreted as a recommendation. The values used in the example are hypothetical. Refer to the rules and appendices in this manual or other NCCI manuals for the filed formulas and factors.

For this example, assume the Retrospective Rating Plan Agreement provides:

Retrospective Rating Factors

a. Estimated Standard Premium  $500,000
b. Maximum Retrospective Premium Factor  130%
c. Minimum Retrospective Premium Factor  60%
d. Loss Conversion Factor  1.120
e. Tax Multiplier  1.070
f. Loss Limit  $50,000
g. Expense Not Covered in (e)  0.201

Example Calculation of the Basic Premium Factor

To establish the Basic Premium Factor, use Appendix B—Table of Aggregate Loss Factors, or the methodology underlying ALFs on Demand. The following example uses the Table of Aggregate Loss Factors. By policy excess ratio and expected claim count groups, it indicates the factors to establish the net aggregate loss factor that is vital to the determination of the Basic Premium Factor.

1. Estimated Standard Premium (a)  $500,000
2. Expected Losses  $306,500
3. Expected Loss Ratio (unlimited)  0.613
4. Policy Excess Ratio  0.582
5. Excess Loss Factor (3) x (4)  0.357
6. Expected Limited Loss Ratio (3) – (5)  0.256
7. Expected Number of Claims  20.95
8. Expense and Profit and Contingency (Excluding Taxes) (1) x (g)  $100,500
9. Expected Loss Plus Expense Ratio [(2) + (8)] ÷ (1)  0.814
10. Loss and Expense in Converted Losses (3) x (d)  0.687
11. Expense and Profit and Contingency (Excluding Expense in Converted Losses) \((9) – (10)\) \(0.127\)

12. Minimum Retrospective Premium Excluding Taxes \(\frac{(c)}{(e)}\) \(0.561\)

13. Maximum Retrospective Premium Excluding Taxes \(\frac{(b)}{(e)}\) \(1.215\)

14. Table of Aggregate Loss Factors Value Difference \(\frac{(9) – (12)}{(d) \times (6)}\) \(0.8824\)

15. Table of Aggregate Loss Factors Entry Difference \(\frac{(13) – (12)}{(d) \times (6)}\) \(2.28\)

16. Ratio of Losses for Minimum Retrospective Premium to Expected Limited Losses \(0.05\)

17. Ratio of Losses for Maximum Retrospective Premium to Expected Limited Losses \(2.33\)

18. Table of Aggregate Loss Factors—Aggregate Excess Loss Factor for (17) \(0.0727\)

19. Table of Aggregate Loss Factors—Aggregate Minimum Loss Factor for (16) \(0.0028\)

20. Net Aggregate Loss Factor \(\frac{(18) – (19)}{(d) \times (6)}\) \(0.020\)

21. Basic Premium Factor \((20) + (11)\) \(0.147\)

The use of the Table of Aggregate Loss Factors is accounted for in the following explanations and illustrations of how to determine the factors and other elements needed for the operation of the Plan.

Note: The procedures described here are designed exclusively for workers compensation and employers liability insurance. Rules for the application of a retrospective rating plan to a combination of workers compensation and employers’ liability insurance and other lines of casualty insurance are in the Retrospective Rating Plan Manual issued by the Insurance Services Office (ISO).

Note: The above calculations are based on the 2019 Table of Aggregate Loss Factors in Appendix B.

The procedure for establishing the values and factors in the above examples follows:

Line 1. Estimated Standard Premium: This is the annual standard premium. Refer to Rule 1-B-1-f for the definition of standard premium. For three-year retrospective rating plans, multiply the annual standard premium times three (3).

Line 2. Expected Losses: For an intrastate risk, the expected losses equal the estimated standard premium (Line 1) multiplied by the expected loss ratio for the state (Line 3).

For an interstate risk, the expected losses equal the sum of the products of the estimated standard premium for each state and the corresponding expected loss ratio for each state. The expected loss ratio for the risk (Line 3) is obtained by dividing the total expected losses for all states covered by the Retrospective Rating Plan (Line 2) by the total standard premium (Line 1). For the purpose of this example, it has been assumed that the risk is an interstate risk with an expected loss ratio of .613, which produces expected losses of $306,500 ($500,000 x .613).

Line 3. Expected Loss Ratio: See the discussion for Line 2.
Line 4. Policy Excess Ratio: This value is calculated as the total expected excess loss divided by total expected loss. Expected excess loss can be calculated at the state-hazard group level by multiplying expected losses by the expected excess ratio, and then taking a sum to get the total:

<table>
<thead>
<tr>
<th>State</th>
<th>HG</th>
<th>Modified Expected Losses</th>
<th>Excess Ratio at Loss Limit 1</th>
<th>Expected Excess Loss</th>
<th>Policy Excess Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>C</td>
<td>106,500</td>
<td>0.5</td>
<td>53,250</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>G</td>
<td>150,000</td>
<td>0.7</td>
<td>105,000</td>
<td></td>
</tr>
<tr>
<td>Y</td>
<td>A</td>
<td>50,000</td>
<td>0.4</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>306,500</td>
<td></td>
<td>178,250</td>
<td>0.582</td>
</tr>
</tbody>
</table>

1 The Excess Ratio values corresponding to the applicable loss limit can be obtained from Exhibit 9 of MWCPF’s Excess Loss Factor Calculations. The appropriate column depends on whether the loss limit is applied on a per-claim or per-occurrence basis, and should be limited to $50M.

Line 5. Excess Loss Factor: This factor is calculated by multiplying the policy excess ratio by the expected loss ratio.

Line 6. Expected Limited Loss Ratio: This ratio is determined by subtracting the excess loss factor from the expected loss ratio.

Line 7. Expected Number of Claims: The expected number of claims can be calculated by first determining the expected number of claims at the state-hazard group level, and then taking a sum to get the total. At the state-hazard group level, the expected number of claims is calculated by dividing the modified expected loss by the average cost per case (average cost per claim).

Modified expected loss at the state-hazard group level is calculated by multiplying the manual premium by the experience modification and the expected loss ratio. The applicable average cost per case for each state-hazard group can be obtained from the State Special Rating Values pages. The calculation is demonstrated in the following table:

<table>
<thead>
<tr>
<th>State</th>
<th>HG</th>
<th>Manual Premium</th>
<th>Experience Modification</th>
<th>Expected Loss Ratio</th>
<th>Modified Expected Losses</th>
<th>Average Cost per Case</th>
<th>Expected Number of Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>C</td>
<td>217,170</td>
<td></td>
<td>0.8</td>
<td>106,500</td>
<td>12,000</td>
<td>8.88</td>
</tr>
<tr>
<td>X</td>
<td>G</td>
<td>305,873</td>
<td></td>
<td></td>
<td>150,000</td>
<td>23,000</td>
<td>6.52</td>
</tr>
<tr>
<td>Y</td>
<td>A</td>
<td>101,958</td>
<td></td>
<td></td>
<td>50,000</td>
<td>9,000</td>
<td>5.56</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>0.613</td>
<td>20.95</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Line 8. Expense and Profit and Contingency—Excluding Taxes: The expense and profit and contingency (excluding taxes) is determined, by multiplying the standard premium by the expense ratio.

For a three-year plan, values are determined similarly for each of the years based on each annual estimated standard premium, and the sum of these values is the provision for expense and profit and contingency. The value for expenses shown in this example is equal to $100,500 ($500,000 x .201).
Line 9. Expected Loss Plus Expense Ratio: This ratio is obtained by dividing the expected losses plus the expenses and profit and contingency (excluding taxes) by the standard premium. In this illustration, it is 0.814.

Line 10. Loss and Expense in Converted Losses: This factor, which expresses the ratio of expected losses and expense included in the loss conversion factor to estimated standard premium, is the product of the expected loss ratio and the loss conversion factor.

Line 11. Expense and Profit and Contingency in Basic Premium: The difference between the factor in Line 9, representing the total net premium provision excluding taxes for the insured under the Retrospective Rating Plan, and the factor in Line 10, representing expected losses and expense in converted losses, is the expense and contingency amount, and must be included in the basic premium.

Line 12. Minimum Premium Retrospective Factor—Excluding Taxes: This factor is the ratio of the minimum retrospective premium factor to the tax multiplier.

Line 13. Maximum Premium Retrospective Factor—Excluding Taxes: This factor is the ratio of the maximum retrospective premium factor to the tax multiplier.

Line 14. Table of Aggregate Loss Factors—Value Difference: This value is calculated as the difference between lines (9) and (12), divided by the product of lines (6) and (d). This equals the difference between the aggregate excess loss factors that correspond to the entry ratios computed in Line 15. An entry ratio is defined as a ratio to expected aggregate limited losses for the policy.

Line 15. Table of Aggregate Loss Factors—Entry Difference: This value is calculated as the difference between lines (13) and (12), divided by the product of lines (6) and (d). This equals the difference between the entry ratios that determine the aggregate minimum loss factor for the minimum premium and the aggregate excess loss factor for the maximum premium.

To use the Table of Aggregate Loss Factors, find the sub-table in the Table of Policy Excess Ratio Ranges containing the policy excess ratio in line (4), as well as the Expected Claim Count Group in the Table of Expected Claim Count Ranges containing line (7), the expected number of claims for the policy. In this example, the corresponding sub-table and Expected Claim Count Group are Sub-table 15 and Group 48.

Then, choose two entry ratios from the Expected Claim Count Group in the sub-table with a difference equal to Line 15 (i.e., 2.28). Make this choice so that the difference in the aggregate excess loss factor for the Expected Claim Count Group for the selected entry ratios most closely approximates Line 14 (i.e., 0.8824).

To illustrate this testing procedure, several entry ratios and their corresponding aggregate excess loss factors in Sub-table 15 and Expected Claim Count Group 48 have been reproduced from the Table:

<table>
<thead>
<tr>
<th>Entry Ratio</th>
<th>Aggregate Excess Loss Factors (Group 48)</th>
</tr>
</thead>
<tbody>
<tr>
<td>.04</td>
<td>0.9619</td>
</tr>
<tr>
<td>.05</td>
<td>0.9528</td>
</tr>
<tr>
<td>.06</td>
<td>0.9437</td>
</tr>
</tbody>
</table>
Choose and list pairs of entry ratios with a difference equal to Line 15, in this case 2.28, and note the respective difference in the corresponding aggregate excess loss factors:

<table>
<thead>
<tr>
<th>Entry Ratio 1</th>
<th>Entry Ratio 2</th>
<th>Aggregate Excess Loss Factor 1</th>
<th>Aggregate Loss Factor 2</th>
<th>Aggregate Excess Loss Factor Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.04</td>
<td>2.32</td>
<td>0.9649</td>
<td>0.0736</td>
<td>0.8883</td>
</tr>
<tr>
<td>0.05</td>
<td>2.33</td>
<td>0.9528</td>
<td>0.0727</td>
<td>0.8801</td>
</tr>
<tr>
<td>0.06</td>
<td>2.34</td>
<td>0.9437</td>
<td>0.0718</td>
<td>0.8719</td>
</tr>
</tbody>
</table>

The pair of entry ratios whose Aggregate Excess Loss Factor difference most closely approximates Line 14, .8824, is recorded under Lines 16 and 17. In this case, Line 16 is .05 and Line 17 is 2.33.

Line 16. Ratio of Losses for Minimum Retrospective Premium to Expected Limited Losses: This value is used for determining the Aggregate Minimum Loss Factor in Line 19. Its derivation is shown in Line 15.

Line 17. Ratio of Losses for Maximum Retrospective Premium to Expected Limited Losses: This is the entry ratio corresponding to the Aggregate Excess Loss Factor in Line 18. Its derivation is shown in Line 15.

Line 18. Table of Aggregate Loss Factors—Aggregate Excess Loss Factor for (17): The aggregate excess loss factor accounts for possible losses in excess of those provided by the maximum retrospective premium. It is obtained by reading from the table as shown in Line 15 (i.e., 0.0727).

Line 19. Table of Aggregate Loss Factors—Aggregate Minimum Loss Factor for (16): The aggregate minimum loss factor accounts for possible losses less than those that would produce the minimum retrospective premium. It is calculated based on the entry ratio in line 16 and the corresponding aggregate excess loss factor, using the identity:

\[
\text{Aggregate Minimum Loss Factor} = \text{Aggregate Excess Loss Factor} + \text{Entry Ratio} - 1
\]

In this example, the resulting Aggregate Minimum Loss Factor is equal to .0028 (.9528 + .05 – 1).

Line 20. Net Aggregate Loss Factor: The net aggregate loss factor is determined by calculating the difference between the aggregate excess loss factor (0.0727) for possible losses that might produce more than the maximum retrospective premium and the aggregate minimum loss factor (0.0028) for losses that might produce less than the minimum retrospective premium, and then multiplying that difference by the product of the expected limited loss ratio (0.256) and the loss conversion factor (1.120). The net aggregate loss factor may be less than zero, as long as the basic premium factor is not negative.

Here, the net aggregate loss factor is equal to \((0.0727 - 0.0028) \times 0.256 \times 1.120\), or 0.020.
Line 21. Basic Premium Factor: The basic premium factor is the sum of the net aggregate loss factor (0.020) and the expenses and profit and contingencies in the basic premium expressed as a percentage of the standard premium (0.127). The standard premium multiplied by the basic premium factor produces the basic premium used in computing the retrospective rating plan premium. For this illustration, the basic premium amount is 0.147 x $500,000 or $73,500.
PART FOUR – POLICY AND ENDORSEMENT FORMS

Rules

A. Standard and Advisory Forms
   The use of each form in this Manual is governed by these Rules, the Notes applicable to a form and by such laws and administrative rules and regulations as may apply to these forms.

   Both Standard and Advisory forms must be used as filed by the Facility and approved by the Commissioner of Insurance subject to the following authorized changes:

   1. Options and changes authorized by the Rules or Notes of this Manual.
   2. Changes made by separate endorsements provided the endorsement is filed by the Facility and approved by the Commissioner of Insurance.
   3. Attachment and execution clauses.
   4. Size and style of type.
   5. Format of provisions, but not their sequence.
   6. Location of a Schedule on an endorsement.

B. Form Filing
   The Michigan Workers’ Compensation Placement Facility will file all forms to be used for assigned risk business in Michigan. Upon approval by the Commissioner of Insurance only these forms may be used by servicing carriers of the Facility or the National WC Pool to write assigned risk business in Michigan.

C. Copyright
   The National Council on Compensation Insurance holds the copyright to some material contained in this Manual; however, the Facility holds the copyright on its material. These Facility forms must be used when writing assigned risk business in the State of Michigan. Such forms just display the notice of copyright as it appears in this Manual. However, if it is impractical to display the notice of copyright on each form, as may happen in the case of machine issued policies, the policy shall prominently display the following notice:

   “Includes copyright material of the National Council on Compensation Insurance and the Michigan Workers’ Compensation Placement Facility, used with their permission.”

D. Effective Date
   The forms in this Manual will be used on policies issued to be effective on or after the effective date of this Manual. Changes to the Manual will be effective on the date specified with each change.

E. Standard Policy and Endorsement Numbering System
   The policy and endorsements contained herein each possess a unique identifying number. This number is standard and must be included on all forms.

   “WC 00 00 00 C” is the number which represents the Workers’ Compensation and Employers’ Liability Policy.

   “WC 00 00 01 A” is the number which represents the Information Page.
All endorsements are assigned numbers which denote the type and purpose of the endorsement. The number consists of eight characters. They represent the following:

a. Line of Insurance – WC
   The first two characters are W C. These establish that the form pertains to Worker’s Compensation and Employers’ Liability Insurance.

b. General/State
   The second set of characters identifies the endorsement as a general, state or company endorsement. General endorsements are designated “00”. State endorsements are designated by the appropriate state code. Michigan endorsements are identified by the code “21”. Miscellaneous endorsements are designated as “89”.

c. Type
   The third set of characters identifies the type of an endorsement, i.e., premium as opposed to coverage. The numbers and types are as follows:
   - 01 Federal Coverages and Exclusions
   - 02 Maritime Coverages and Exclusions
   - 03 Other Coverages and Exclusions
   - 04 Premium
   - 05 Retrospective Premium
   - 06 Miscellaneous

d. Sequence Number
   The fourth set of characters is the unique identifying number which differentiates an endorsement from others in the same series. A multi-paged endorsement will have only one number.

e. Version Identifier
   The last character identifies the version of the policy and each endorsement. The identifying number of the version of the policy and each endorsement that was in effect prior to the rule change creating the version identifier contains only eight characters. The original printing of an endorsement effective after the rule change will also contain only eight characters. Each subsequent version of the policy and endorsements will contain a ninth character. This character will sequentially identify each subsequent reprint of the policy and endorsements from A through Z (reprints 1 through 26).
EXAMPLES:

ALTERNATE EMPLOYER ENDORSEMENT WC 0 03 01

WC 00 03 01 A

WC = Line of Insurance
00 = General Endorsement
03 = Type – Other Coverage & Exclusions
01 = Sequence Number
(First of the General Other Coverages & Exclusion Endorsements)
= No Version Identifier
(Version in effect as the original version of the endorsement)

WC OO O3 O1 A

Same as above except for
A = Version Identifier
(First reprint after a rule change creating the version identifier)

MICHIGAN DESIGNATED CONSTRUCTION SITE COVERAGE ENDORSEMENT

WC 21 03 01 B

WC = Line of Insurance
21 = State Endorsement – Michigan
03 = Type – Other Coverages and Exclusions
01 = Sequence Number
(First of the Michigan Other Coverages and Exclusions Endorsements)
B = Version Identifier
(Second reprint after the rule change creating the version identifier)
Policy

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  D. State ..................................................... 1
  E. Locations ................................................. 1

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IMPORTANT: This Quick Reference is not part of the Workers’ Compensation and Employers’ Liability Policy and does not provide coverage. Refer to the Workers’ Compensation and Employers’ Liability Policy itself for actual contractual provisions.

PLEASE READ THE WORKERS’ COMPENSATION AND EMPLOYERS’ LIABILITY POLICY CAREFULLY.
In return for the payment of the premium and subject to all terms of this policy, we agree with you as follows:

**GENERAL SECTION**

**A. The Policy**
This policy includes at its effective date the Information Page and all endorsements and schedules listed there. It is a contract of insurance between you (the employer named in Item I of the Information Page) and us (the insurer named on the Information Page). The only agreements relating to this insurance are stated in this policy. The terms of this policy may not be changed or waived except by endorsement issued by us to be part of this policy.

**B. Who Is Insured**
You are insured if you are an employer named in Item 1 of the Information Page. If that employer is a partnership, and if you are one of its partners, you are insured, but only in your capacity as an employer of the partnership’s employees.

**C. Workers’ Compensation Law**
Workers’ Compensation law means the workers or workmen’s compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page. It includes any amendments to that law which are in effect during the policy period. It does not include any federal workers or workmen’s compensation law, any federal occupational disease law or the provisions of any law that provide non-occupational disability benefits.

**D. State**

**E. Locations**
This policy covers all of your workplaces listed in Item 1 or 4 of the Information Page; and it covers all other workplaces in Item 3.A. states unless you have other insurance or are self-insured for such workplaces.

**PART ONE**

**WORKERS’ COMPENSATION INSURANCE**

**A. How This Insurance Applies**
This workers’ compensation insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. Bodily injury by accident must occur during the policy period.
2. 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.

**B. We Will Pay**
We will pay promptly when due the benefits required of you by the workers’ compensation law.

**C. We Will Defend**
We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this insurance. We have the right to investigate and settle these claims, proceedings or suits.

We have no duty to defend a claim proceeding or suit that is not covered by this insurance.

**D. We Will Also Pay**
We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.
E. Other Insurance
We will not pay more than our share of benefits and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the share of all remaining insurance will be equal until the loss is paid.

F. Payments You Must Make
You are responsible for any payments in excess of the benefits regularly provided by the workers’ compensation law including those required because:
1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation; or
4. you discharge, coerce or otherwise discriminate against any employee in violation of the workers’ compensation law.
If we make any payments in excess of the benefits regularly provided by the workers compensation law on your behalf, you will reimburse us promptly.

G. Recovery From Others
We have your rights, and the rights of persons entitled to the benefits of this insurance, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions
These statements apply where they are required by law.
1. As between an injured worker and us, we have notice of injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance after an injury occurs.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance. Those persons may enforce our duties; so may an agency authorized by law. Enforcement may be against us or against you and us.

4. Jurisdiction over you is jurisdiction over us for purposes of the workers’ compensation law. We are bound by decisions against you under that law, subject to the provisions of this policy that are not in conflict with that law.
5. This insurance conforms to the parts of workers’ compensation law that apply to:
   a. benefits payable by this insurance;
   b. special taxes, payments into security or other special funds and assessments payable by us under that law.
6. Terms of this insurance that conflict with the workers’ compensation law are changed by this statement to conform to that law.

Nothing in these paragraphs relieves you of your duties under this policy.

PART TWO
EMPLOYERS LIABILITY INSURANCE

A. How This Insurance Applies
This employers’ liability 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 your work in a state or territory listed in Item 3.A. of the Information Page.
3. Bodily injury by accident must occur during the policy period.
4. 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.
5. 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.
B. We Will Pay

We will pay all sums that you legally must pay as damages because of bodily injury to your employees, provided the bodily injury is covered by this Employers Liability Insurance.

The damages we will pay, where recovery is permitted by law, include damages:

1. For which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your employee;
2. For care and loss of services; and
3. For consequential bodily injury to a spouse, child, parent, brother or sister of the injured employee; provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee’s employment by you; and
4. Because of bodily injury to your employee that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

C. Exclusions

This insurance does not cover:

1. Liability assumed under a contract. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
2. Punitive or exemplary damages because of bodily injury to an employee employed in violation of law;
3. Bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. Any obligation imposed by a workers compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
5. Bodily injury intentionally caused or aggravated by you;
6. Bodily injury occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;
7. Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, or any personnel practices, policies, acts or omissions;
8. Bodily injury to any person in work subject to the Longshore and Harbor Workers’ Compensation Act (33 U.S.C. Sections 901 et seq.), the Non appropriated Fund Instrumentalities Act (5 U.S.C. Sections 8171 et seq.) the Outer Continental Shelf Lands Act (43 U.S.C. Sections 1331 et seq.), the Defense Base Act (42 U.S.C. Sections 1651-1654), the Federal Mine Safety and Health Act (30 U.S.C. Sections 801 et seq. and 901-944), any other federal workers or workmen’s compensation law or other federal occupational disease law, or any amendments to these laws;
9. Bodily injury to any person in work subject to the Federal Employers’ Liability Act (45 U.S.C. Sections 51 et seq.) any other federal laws obligating an employer to pay damages to an employee due to bodily injury arising out of or in the course of employment, or any amendments to those laws;
10. Bodily injury to a master or member of the crew of any vessel and does not cover punitive damages related to your duty or obligation to provide transportation, wages, maintenance and cure under applicable maritime law.
11. Fines or penalties imposed for violation of federal or state laws; and
12. Damages payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections1801 et seq.) and under any other federal law awarding damages for violation of those laws or regulations issued thereunder, and any amendments to those laws.
D. We Will Defend
We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this insurance. We have the right to investigate and settle these claims, proceedings and suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance. We have no duty to defend or continue defending after we have paid our applicable limit of liability under this insurance.

E. We Will Also Pay
We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding, or suit we defend:

1. Reasonable expenses incurred at our request, but not loss of earnings;
2. Premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
3. Litigation costs taxed against you;
4. Interest on a judgment as required by law until we offer the amount due under this insurance; and
5. Expenses we incur.

F. Other Insurance
We will not pay more than our share of damages and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

G. Limits of Liability
Our liability to pay for damages is limited. Our limits of liability are shown in Item 3.B. of the Information Page. 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 – policy limit” is the most we will pay for all damages covered by this insurance and arising out of bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease. The limit shown for “bodily injury by disease – each employee” is the most we will pay for all damages because of bodily injury by disease to any one employee. 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 under this insurance.

H. Recovery From Others
We have your rights to recover our payment from anyone liable for an injury covered by this insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

I. Actions Against Us
There will be no right of action against us under this insurance unless:

1. You have complied with all the terms of this policy; and
2. The amount you owe has been determined with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability. The bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Part.

PART THREE
OTHER STATES INSURANCE

A. How This Insurance Applies

1. This other states insurance applies only if one or more states are shown in Item 3.C. of the Information Page.

2. If you begin work in any one of those states after the effective date of this policy and are not insured or are not self-insured for such work, all provisions of the policy will apply as though that state were listed in Item 3.A. of the Information Page.
3. We will reimburse you for the benefits required by the Workers’ Compensation Law of that state if we are not permitted to pay the benefits directly to persons entitled to them.

4. If you have work on the effective date of this policy in any state not listed in Item 3.A. of the Information Page, coverage will not be afforded for that state unless we are notified within thirty days.

PART FOUR
YOUR DUTIES IF INJURY OCCURS

Tell us at once if injury occurs that may be covered by this policy. Your other duties are listed here.

1. Provide for immediate medical and other services required by the workers’ compensation law.

2. Give us or our agent the names and addresses of the injured persons and of witnesses, and other information we may need.

3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding or suit.

4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.

5. Do nothing after an injury occurs that would interfere with our right to recover from others.

6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

PART FIVE
PREMIUM

A. Our Manuals
All premium for this policy will be determined by our manuals of rules, rates, rating plans and classifications. We may change our manuals and apply the changes to this policy if authorized by law or a governmental agency regulating this insurance.

B. Classifications
Item 4 of the Information Page shows the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this policy.

C. Remuneration
Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. all your officers and employees engaged in work covered by this policy; and

2. all other persons engaged in work that could make us liable under Part One (Workers’ Compensation Insurance) of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph 2 will not apply if you give us proof that the employers of these persons lawfully secured their workers compensation obligations.

D. Premium Payments
You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid.
E. Final Premium
The premium shown on the Information Page, schedules and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by this policy. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you.

The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

If this policy is cancelled, final premium will be determined in the following way, unless our manuals provide otherwise:

1. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the pro rata share of the minimum premium.

2. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force, and increased by our short-rate cancellation table and procedure. Final premium will not be less than the minimum premium.

F. Records
You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

G. Audit
You will let us examine and audit all your records that relate to this policy. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records, and programs for storing and retrieving data. We may conduct audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to determine final premium. Insurance rate service organizations have the same rights we have under this provision.

A. Inspection
We have the right, but are not obligated to inspect your workplaces at any time. Our inspections are not safety inspections. They relate only to the insurability of the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations codes or standards. Insurance rate service organizations have the same right we have under this provision.

B. Long Term Policy
If the policy period is longer than one (1) year and sixteen (16) days, all provisions of this policy will apply as though a new policy were issued on each annual anniversary that this policy is in force.

C. Transfer of Your Rights and Duties
Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within thirty (30) days after your death, we will cover your legal representative as insured.

D. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.

2. We may cancel this policy. We must mail or deliver to you not less than ten (10) days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice.

3. The policy will end on the day and hour stated in the cancellation notice.

4. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

E. Sole Representative
The insured first named in Item 1 of the Information Page will act on behalf of all insured to change this policy, receive return premium, and give or receive notice of cancellation.
INFORMATION PAGE

INSURER: ____________________________________________

POLICY NO: ________________________________

1. The Insured: ____________________________________________

Mailing Address: ____________________________________________

Other workplaces not shown above: ____________________________________________

2. The policy period is from __________ to __________ at the insured’s mailing address.

3. A. Workers’ Compensation Insurance: Part One of the policy applies to the Workers’ Compensation Law of the states listed here:

__________________________________________

B. Employers’ Liability Insurance: Part Two of the policy applies to work in each state in Item 3.A.

The limits of our liability under Part Two are:

Bodily Injury by Accident $ _________ each accident

Bodily Injury by Disease $ _________ policy limit

Bodily Injury by Disease $ _________ each employee

C. Other State Insurance: Part Three of the policy applies to the states, if any, listed here: _________

D. This policy includes these endorsements and schedules: ____________________________________________

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

<table>
<thead>
<tr>
<th>Classifications</th>
<th>Code No.</th>
<th>Premium Basis Total Estimated Remuneration</th>
<th>Rate Per $100 of Remuneration</th>
<th>Estimated Annual Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Total Estimated Annual Premium $____________________

Minimum Premium $____________________

Expense Constant $____________________

Countersigned by: ____________________________________________
General Information Page Notes

1. Insurance carriers may show a renewal agreement statement on the standard Information Page when a policy is renewed. The carrier must show “Renewal Agreement” or a like heading along with the title “Information Page” if a renewal agreement statement is shown on the Information Page.

2. Insurance carriers showing a renewal agreement statement on the Information Page or entering into a renewal agreement not shown on the Information Page may list any or all endorsements in Item 3.D., elsewhere on the Information Page or in an Information Page Schedule. A carrier is not required to attach such listed endorsements to the Information Page and Policy if the endorsements have already been provided to the insured by that carrier.

3. These General Information Page Notes do not affect the standard Information Page entry requirements set forth in the Information Page Notes.
1. The sequence of Items 1 through 4 of the Information Page may not be changed except for Item 3.D. (See Note 14). The format of each item may be rearranged and these suggested headings may be used: 1. Insured; 2. Policy Period; 3. Coverage; and 4. Premium.

2. The name and the five digit NCCI carrier code number of the insuring company must be shown prominently on the Information Page in the space above Item 1. The address and type of insurer (stock, mutual, or other) are to be shown on the Information Page, the policy, or a policy jacket.

3. The policy number must be appropriately labeled and shown in the space reserved above Item 1 on the Information Page. This number must be unique to the company, must not exceed 18 alphanumeric digits and must remain constant during the policy period. The policy number must be shown on all endorsements as well as all other policy related correspondence after the policy is issued. If the policy number displayed on the Information Page contains a policy symbol consisting of alphanumeric digits that are not entered into the carrier’s internal statistical records as part of the actual policy number, those symbols must be shown as a separate prefix and/or suffix to the policy number and appropriately labeled.

4. On the NCCI’s copy or the independent bureau’s copy of a renewal policy Information Page, use space reserved above Item1 to show and appropriately label the prior policy number. This number must not exceed 18 alphanumeric digits. If the number displayed on the Information Page contains a policy symbol consisting of alphanumeric digits that are not entered into the carrier’s internal statistical records as part of the actual policy number, those symbols must be shown as a separate prefix and/or suffix to the policy number and appropriately labeled.

New business may be designated “New.” At its option, the company may show this on the insured’s copy of the Information Page.

5. On NCCI’s copy or the independent bureau’s copy of the Information Page, show the letters “AR” or “WCIP” next to the title “Information Page” if the policy was secured through the assigned risk market.

6. Show in Item 1 the exact name of the employer insured and indicate whether the employer is an individual, partnership, joint venture, corporation, association or other legal entity. If separate legal entities are insured in a single policy, consistent with the manual of rules, separately show the complete name of each insured employer and indicate each employer’s legal entity status.

7. The Interstate/Intrastate Risk Identification number must be shown and appropriately labeled on the Information Page.

8. Reserve space in Item 1 of NCCI’s copy or the independent bureau’s copy to show if required, the insured’s commonly required identification numbers such as: Arkansas Workers Compensation File Number; Hawaii Unemployment Number; New Mexico Unemployment Insurance Number; Oregon Contract Number; and State Employer Number.

The company may also show this on the Information Page at its option.
9. List in Item 1 or by schedule all usual workplaces of the insured that are to be covered by the policy. Also include the respective Federal Employer’s Identification Number (FEIN), appropriately labeled, for each entity included on the policy.

10. The effective date and hour of the policy, and its expiration date and hour must be shown in Item 2. The hour may be included as part of the printed form at the company’s option.

11. List in Item 3.A. states where workers’ compensation insurance is provided. If none is provided, “none” or “not covered” may be shown. For an example, refer to the notes to the Federal Mine Safety and Health Act Coverage Endorsement.

12. Show limits of liability separately for bodily injury by accident and by disease in Item 3.B.

13. States may be shown in Item 3.C. by name or by designation, but do not name or designate a state listed in Item 3.A., a monopolistic state fund state or a state where the insurer will not provide this coverage.

The following entry may also be included: “All states except North Dakota, Ohio, Washington, Wyoming, states designated in Item 3.A. of the Information Page and ________________________.”

If the company learns that the insured is conducting operations in a 3.C. state, and if the company agrees to continue coverage, the company should add that state to Item 3.A. and remove it from Item 3.C. Normal company procedures apply when the state is added to Item 3.A.

14. Item 3.D. may be omitted so long as the list of the policy’s schedules and endorsements appears somewhere on the Information Page. Endorsements for which the company has not filed specimen copies with the independent bureau(s) having jurisdiction must be attached to the Information Page filed with the independent bureau.

15. The content of Item 4 may be rearranged by the company. If the policy is issued for less than one year, the company may state whether the premium information is shown for the policy period or for an annual period.

16. In Item 4, the development of estimated annual premium must be displayed separately for each classification by state. This same display of premium development must be shown on any classification schedules attached to the policy. Total Estimated Standard Premium must be shown by state on the Information Page or on a schedule attached to the policy. The experience rating modification factor must be shown in Item 4 for risks subject to the experience rating plan, unless this factor is not available when the policy is issued. The company then may make an appropriate entry in Item 4 to show that the factor is not available. Refer to the Experience Rating Modification Factor Endorsement for more information.

17. In those states where a schedule rating plan has been filed and approved, report the schedule rating information in Item 4, as required by the filed plan.

18. Premium discount may be shown in Item 4, the Premium Discount Endorsement, or both.
19. Taxes, assessments, deposit premium, interim adjustments of premium, the rating plan, past experience, cancellation of similar insurance, date and place of policy issuance, date and place of countersignature, and other related information may be shown in Item 4.

20. Three year fixed rate policies must be so designated on the Information Page as required by Rule 3-B-1-b of NCCI’s Basic Manual. In Item 4, the company must report the premium information either as Standard Premium or Total Standard Premium as defined in Rule 3-A-20 of NCCI’s Basic Manual.

21. Other entries may be made on the Information Page as authorized by Notes to Endorsements, including: Defense Base Act Coverage; Non-appropriated Fund Instrumentalities Act Coverage; Partners, Officers and Others Exclusion; Pending Rate Change; Sole Proprietors, Partners, Officers and Other Coverage; and Voluntary Compensation Maritime Coverage Endorsements.

22. The company may place the execution clause at the end of the Information Page, at the end of the standard policy, or on a policy jacket.

State Workers Compensation Rating Bureau Information Page Notes:
Refer to the Pennsylvania Basic Manual for Pennsylvania policy issuance instructions and specific requirements.

Refer to the sample Information Page in the forms Section, Part Three, Section 2, of the New Jersey Workers Compensation and Employers Liability Insurance manual for a description of New Jersey requirements.


Refer to the Wisconsin Basic Manual for Wisconsin policy issuance instructions and specific requirements.
Endorsements

WC 00 01 01  Defense Base Act Coverage Endorsement

DEFENSE BASE ACT COVERAGE ENDORSEMENT

This endorsement applies only to the work described in the Schedule or described on the Information Page as subject to the Defense Base Act. The policy applies to that work as though the location included in the description of the work were a state named in Item 3.A. of the Information Page.

General Section C. Workers’ Compensation Law is replaced by the following:

C. Workers’ Compensation Law

Workers’ Compensation Law means the workers or workmen’s compensation law and occupation disease law of each state or territory named in Item 3.A. of the Information Page and the Defense Base Act (42 USC Sections 1651-1654). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen’s compensation law, other federal occupational disease law or the provisions of any law that provide non-occupational disability benefits.

Part Two (Employers Liability Insurance) C. Exclusions, exclusion 8, does not apply to work subject to the Defense Base Act.

Schedule

Description of Work

Notes:

1. The Defense Base Act makes the Longshore and Harbor Workers’ Compensation Act apply to contractors performing work at overseas military bases, whether in a territory or possession of the United States or in a foreign country, and to various public works contracts performed outside the continental United States.

2. Use this endorsement to provide workers compensation and employers liability insurance for work subject to the Defense Base Act extension of the Longshore and Harbor Workers’ Compensation Act.

3. The description of the work must include the location where the work is being performed.
FEDERAL EMPLOYERS’ LIABILITY ACT COVERAGE ENDORSEMENT

This endorsement applies only to work subject to the Federal Employers’ Liability Act (45 USC Sections 51-60) and any amendment to that Act that is in effect during the policy period.

G. Limits of Liability of Part Two (Employers Liability Insurance) is replaced by the following.

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.

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.

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 or in the Schedule.

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

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

If any state is named in Item 2 of the Schedule, Part Two (Employers Liability Insurance) applies in that state to work subject to the Federal Employers’ Liability Act as though that state we listed in Item 3.A. of the Information Page. Part One (Workers’ Compensation Insurance) does not apply in a state shown in the Schedule.

Schedule

1. Limits of Liability
   - Bodily Injury by Accident $________________ each accident
   - Bodily Injury by Disease $________________ aggregate

2. State
WC 00 01 06  Longshore and Harbor Workers' Compensation Act Coverage Endorsement

WC 00 01 06 A (Standard)

LONGSHORE AND HARBOR WORKERS’ COMPENSATION ACT COVERAGE ENDORSEMENT

This endorsement applies only to work subject to the Longshore and Harbor Workers’ Compensation Act in a state shown in the schedule. The policy applies to that work as though that state were listed in Item 3.A. of the Information Page.

General Section C. Workers’ Compensation Law is replaced by the following:

C. Workers’ Compensation Law

Workers’ Compensation Law means the workers or workmen’s compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page and the Longshore and Harbor Workers’ Compensation Act (33 USC Sections 901-950). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen’s compensation law, other federal occupational disease law or the provisions of any law that provide non-occupational disability benefits.

Part Two (Employers Liability Insurance), C. Exclusions., exclusion 8, does not apply to work subject to the Longshore and Harbor Workers’ Compensation Act.

This endorsement does not apply to work subject to the Defense Base Act, the Outer Continental Shelf Lands Act, or the Non-appropriated Fund Instrumentalities Act.

Schedule

<table>
<thead>
<tr>
<th>State</th>
<th>Longshore and Harbor Workers’ Compensation Act Coverage Percentage</th>
</tr>
</thead>
</table>

The rates for classifications with code numbers not followed by the letter “F” are rates for work not ordinarily subject to the Longshore and Harbor Workers’ Compensation Act. If this policy covers work under such classifications, and if the work is subject to the Longshore and Harbor Workers’ Compensation Act, those non-F classification rates will be increased by the Longshore and Harbor Workers’ Compensation Act Coverage Percentage shown in the Schedule.

Notes:

1. The Longshore and Harbor Workers’ Compensation Act is a federal workers compensation law that applies to workers in maritime employments, including longshore, harbor workers, shipbuilders, shipbreakers, and ship repairers. It does not apply to masters or crews of vessels. See Rule XI of the Basic Manual for additional details.
2. Use this endorsement to provide workers compensation insurance and employers’ liability insurance for work subject to the Longshore and Harbor Workers’ Compensation Act in any state, including a monopolistic state fund state.
3. Coverage is provided in a state by naming the state in the Schedule.
4. The following entry may be typed or printed in the Schedule to provide coverage in Item 3.A. states: “Each state named in Item 3.A. of the Information Page.”
5. The following entry may be typed or printed in the Schedule to provide coverage in Item 3.A. and 3.C. states: “Each state named in Item 3.A. or 3.C. of the Information Page.”
WC 00 01 08  Non-appropriated Fund Instrumentalities Act Coverage Endorsement

WC 00 01 08 A (Standard)

NONAPPROPRIATED FUND INSTRUMENTALITIES ACT COVERAGE ENDORSEMENT

This endorsement applies only to the work described in the Schedule or described on the Information Page as subject to the Non-appropriated Fund Instrumentalities Act. The policy applies to that work as though the location shown in the Schedule were a state named in Item 3.A. of the Information Page.

General Section C. Workers’ Compensation Law is replaced by the following:

C. Workers’ Compensation Law

Workers’ Compensation Law means the workers or workmen’s compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page and Non-appropriated Fund Instrumentalities Act (5USC Sections 8171-8173). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen’s compensation law, other federal occupational disease law or the provisions of any law that provide non-occupational disability benefits.

Part Two (Employers Liability Insurance), C. Exclusions., exclusion 8, does not apply to work subject to the Non-appropriated Fund Instrumentalities Act.

Schedule

Description and Location of Work

Notes:

1. The Non-appropriated Fund Instrumentalities Act makes the Longshore and Harbor Workers’ Compensation Act apply to civilian employees of certain instrumentalities such as the Army and Air Force Exchange Service, Army and Air Force Motion Picture Service, Navy Ship’s Stores Ashore, Navy, Marine and Coast Guard Exchanges and to her instrumentalities of the United States under jurisdiction of the Armed Forces conducted for the pleasure and improvement of Armed Forces personnel.

2. Use this endorsement to provide workers compensation insurance and employers’ liability insurance for work subject to the Non-appropriated Fund Instrumentalities Act.
OUTER CONTINENTAL SHELF LANDS ACT COVERAGE ENDORSEMENT

This endorsement applies only to the work described in Item 4 of the Information Page or in the Schedule as subject to the Outer Continental Shelf Lands Act. The policy will apply to that work as though the location shown in the Schedule were a state named in Item 3.A. of the Information Page.

General Section C. Workers’ Compensation Law is replaced by the following:

C. Workers’ Compensation Law

Workers’ Compensation Law means the workers or workmen’s compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page and the Outer Continental Shelf Lands Act (43 U.S.C Sections 1331 et seq.). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen’s compensation law, other federal occupational disease law or the provisions of any law that provide non-occupational disability benefits.

Part Two (Employers Liability Insurance), C. Exclusions., exclusion 8, does not apply to work subject to the Outer Continental Shelf Lands Act.

Schedule

Description and Location of Work

Notes:

1. The Outer Continental Shelf Lands Act makes the Longshore and Harbor Workers’ Compensation Act apply to work involving the development from fixed platforms of the natural resources of the Outer Continental Shelf. Use this endorsement to provide workers compensation insurance and employers’ liability insurance for work on the Outer Continental Shelf subject to the Longshore and Harbor Workers’ Compensation Act.

2. The description of work must show the state whose boundaries, if extended to the Outer Continental Shelf, would include the location of the work.
WC 00 02 01 Maritime Coverage Endorsement

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
   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 another 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 the 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 under this insurance.
Schedule

1. Description of work:

2. Transportation, Wages, Maintenance and Cure Premium:

Exclusion: This insurance does not cover punitive damages 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

Notes:

1. Use this endorsement to afford maritime coverage under Program I or II of Manual Rule 12 where the employer has maritime exposure and no Protection and Indemnity policy, or has a Protection and Indemnity policy that does not cover all its operations.
2. Use Item 1 of the Schedule to describe the maritime operations that are to be insured by this endorsement. The description may include limitations by size, ownership or name of vessel and limitations by names of waterways to be used by the vessels.
3. Show a premium charge or other appropriate entry in Item 2 to provide coverage for transportation, wages, maintenance and cure. See Rule 12.C.2. of the Basic Manual for determination of the premium.
VOLUNTARY COMPENSATION MARITIME COVERAGE ENDORSEMENT

This endorsement adds Voluntary Compensation Maritime Insurance to the policy.

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 be sustained by an employee who is a master or member of the crew of a vessel described in the Schedule.
   2. The bodily injury must occur in employment that is necessary or incidental to work described in Item 2 of the Schedule.
   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 exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

B. We Will Pay
   We will pay an amount equal to the benefits that would be required of you if you and your employees described in Item 1 of the Schedule were subject to the workers’ compensation law shown in Item 1 of the Schedule. We will pay those amounts to the persons who would be entitled to them under that law.

C. Exclusions
   This insurance does not cover:
   1. any obligation imposed by a workers’ compensation or occupational disease law, or any similar law.
   2. bodily injury intentionally caused or aggravated by you.

D. Before We Pay
   Before we pay benefits to the persons entitled to them, they must:
   1. Release you and us, in writing, of all responsibility for the injury or death.
   2. Transfer to us their right to recover from others who may be responsible for the injury or death.
   3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.
   If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

E. Recovery from Others
   If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.
WC 00 02 03 (Standard)

Schedule

1. **Employees**
   Master and members of the crews of these vessels:

2. Description of Work:

   Notes:
   1. Use this endorsement to provide Voluntary Compensation Insurance under Program II of Manual Rule 12 for masters and members of the crews of vessels.
   2. This endorsement provides voluntary compensation to the employees described in the Schedule. Employees are described by naming or describing the vessel to which they are attached.
   3. When this endorsement is used, the Maritime Coverage Endorsement must also be attached to the policy.
WC 00 03 01  Alternate Employer Endorsement

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 the Schedule. Part One (Workers’ Compensation Insurance) and Part Two (Employers’ Liability Insurance) will apply as though the alternate employer is insured.

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

State of Special or Temporary Employment

<table>
<thead>
<tr>
<th>Alternate Employer</th>
<th>Address</th>
<th>Temporary Employment</th>
</tr>
</thead>
</table>

1. This endorsement may be used when the insured named in Item 1 of the Information Page has agreed to provide insurance against workers’ compensation and employers’ liability claims made by employees of the insured against a special or temporary employer named in the endorsement Schedule.

2. This endorsement may be used only if the state of temporary or special employment is a state shown in Item 3.A. of the Information Page.

3. If the insured is in the business of providing temporary workers for others, the insurer may show the alternate employers in the Schedule by the words “all” or “any”.

4. Three uses of this endorsement are illustrated here.
   a. Use this endorsement if the policy is issued to a contract or (the insured) who is required by an oil company (as alternate or special employer) to provide workers’ compensation and employers’ liability insurance to protect the oil company from claims brought by the contractor’s employees.
   b. Use this endorsement if the policy is issued to a business that operates and manages property for others (the insured) who is required by the property owner (the alternate employer) to provide this insurance to protect the owner from claims brought by employees of the operator/manager.
   c. Use this endorsement if the policy is issued to a supplier of temporary office help (the insured) who is required by its customer (the user of the temporary office help-the alternate employer) to provide this insurance to protect the customer from claims brought by the insured’s employees against the alternate employer.

5. If this endorsement is used because of temporary or special employment in Illinois, the carrier must send a written notice of cancellation to all Illinois Alternate Employers shown in the Schedule.
WC 00 03 04   Insurance Company as Insured Endorsement

INSURANCE COMPANY AS INSURED ENDORSEMENT

The policy does not cover your obligations as a workers’ compensation re-insurer or insurer of other employers.

Note:

Use this endorsement if the insured is licensed to write workers’ compensation insurance or reinsurance.
JOINT VENTURE AS INSURED ENDORSEMENT

If the employer named in Item 1 of the Information Page is a joint venture, and if you are one of its members, you are insured, but only in your capacity as an employer of the joint venture’s employees.

Notes:

Use this endorsement to insure the members of a joint venture named in Item 1 of the Information Page.
WC 00 03 08  Partners, Officers and Others Exclusion Endorsement

WC 00 03 08 (Standard)

PARTNERS, OFFICERS AND OTHERS EXCLUSION ENDORSEMENT

The policy does not cover bodily injury to any person described in the Schedule.

The premium basis for the policy does not include the remuneration of such persons.

You will reimburse us for any payment we must make because of bodily injury to such persons.

Schedule

<table>
<thead>
<tr>
<th>Partners</th>
<th>Officers</th>
<th>Others</th>
</tr>
</thead>
</table>

Notes:

1. Use this endorsement in a state where an individual has elected pursuant to the workers compensation law not to be covered by the law and to exclude employers’ liability coverage where the insured is statutorily exempt from workers compensation coverage.

2. Individuals may be designated in this endorsement only when it is proper to do so under the workers compensation law. Individuals may be designated by naming them.

3. This endorsement may be used in Missouri to exclude members of a limited liability company who have rejected workers compensation and employers liability insurance in accordance with Missouri Department of Insurance Bulletin 96 - 02.
RURAL ELECTRIFICATION ADMINISTRATION ENDORSEMENT

1. We will submit our policy and endorsement forms to the Rural Electrification Agency prior to using them.

2. We will mail to the Rural Electrification Agency at least ten days advance notice of the termination of the policy.

3. If you are immune from tort liability, we will not use that immunity as defense unless you so request us. You agree that waiving the defense of immunity will not make us liable for any payment in excess of the limits of liability stated in the policy.

Notes:

Use this endorsement if the insured is a rural electrification cooperative and this endorsement is required by the R. E.A.
WC 00 03 13  Waiver of Our Right to Recover from Others Endorsements

Waiver of Our Right to Recover from Others Endorsement

We have the right to recover our payments from anyone liable for any 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 anyone not named in the Schedule.

Schedule

Notes:

1. Use this endorsement to waive the company's right of subrogation against named third parties who may be responsible for an injury.
2. The sentence in ( ) is optional with the company. It limits the endorsement to apply only to specific jobs of the insured, and only to the extent that the insured is required to obtain this waiver.
3. The following entry must be added to the endorsement when used in Hawaii: “The premium charge for the endorsement is
4. For Michigan Assigned Risk policies the charge for the issuance of this endorsement shall be 2% of the developed premium for the job for which the endorsement is issued. The employer must maintain payroll records to adequately disclose allocation of payroll to such designated jobs subject to the endorsement. In event an employee interchanges labor between a designated job site and a non-designated job site, the entire payroll of the employee will be subject to a 2% increase for the duration of the job site exposure. The minimum charge for the issuance of the endorsement shall be $25.00.
RESIDUAL MARKET LIMITED OTHER STATES INSURANCE ENDORSEMENT

PART THREE OTHER STATES INSURANCE

A. How This Insurance Applies

1. We will pay promptly when due the benefits required of you by the workers’ compensation law of any state not listed in Item 3.A. of the Information Page if all of the following conditions are met:
   a. The employee claiming benefits was either hired under a contract of employment made in a state listed in Item 3.A. of the Information Page or was, at the time of injury principally employed in a state listed in Item 3.A. of the Information Page; and
   b. The employee claiming benefits is not claiming benefits in a state where, at the time of injury, (i) you have other workers compensation insurance coverage, or (ii) you were, by virtue of the nature of your operations in that state, required by that state’s law to have obtained separate workers compensation insurance coverage, or (iii) you are an authorized self-insurer or participant in a self-insurance group plan; and
   c. The duration of the work being performed by the employee claiming benefits in the state for which that employee is claiming benefits is temporary.

2. If we are not permitted to pay the benefits directly to persons entitled to them and all of the above conditions are met, we will reimburse you for the benefits required to be paid.

3. This insurance does not apply to fines or penalties arising out of your failure to comply with the requirements of the workers’ compensation law.

IMPORTANT NOTICE!

If you hire any employees outside those states listed in Item 3.A. of the Information Page or begin operations in any such state, you should do whatever may be required under that state’s law, as this endorsement does not satisfy the requirements of that state’s workers’ compensation law.
WC 00 04 03  Experience Rating Modification Factor Endorsement

EXPERIENCE RATING MODIFICATION FACTOR ENDORSEMENT

The premium for the policy will be adjusted by an experience rating modification factor. The factor was not available when the policy was issued. The factor, if any, shown on the Information Page is an estimate. We will issue an endorsement to show the proper factor, if different from the factor shown, when it is calculated.

Notes:

1. This endorsement may be used if the insured's experience rating modification factor is not available when the policy is issued.
2. An appropriate typewritten entry may be made in the Information Page instead of using this endorsement.
WC 00 04 04  Pending Rate Change Endorsement

WC 00 04 04 (Standard)

PENDING RATE CHANGE ENDORSEMENT

A rate change filing is being considered by the proper regulatory authority. The filing may result in rates different from the rates shown on the policy. If it does, we will issue an endorsement to show the new rates and their effective date.

If only one state is shown in Item 3.A. of the Information Page, this endorsement applies to that state. If more than one state is shown there, this endorsement applies only in the state shown in the Schedule.

Schedule

State

Notes:

1. Use this endorsement if the rates shown in the policy may change because of a rate filing pending when the policy is issued.
2. An appropriate typewritten entry may be made on the Information Page instead of using this endorsement.
PREMIUM DISCOUNT ENDORSEMENT

The premium for this policy and the policies, if any, listed in Item 3 of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in Item 1 or 2 of the Schedule. The final calculation of premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

Schedule

1. **State** | **Estimate Eligible Premium**
   - **First** | **Next** | **Next** | **Balance**
   - $10,000 | $190,000 | $1,550,000 | Balance

2. Average percentage discount ________%

3. Other Policies:

4. If there are no entries in Items 1, 2, and 3, of the Schedule see the Premium Discount Endorsement attached to your policy number.

Notes:

1. Use this endorsement to show the application of Manual Rule VII, Premium Discount, or to identify the insured’s policy which shows the application of the Discount Rule.

2. Do not make entries in Item s 1, 2 or 3 if a policy number is to be shown in Item 4.

3. The company has the option of replacing Item 1 with the appropriate Table in use by the company.

4. Item 2 may be used if all eligible premium is developed in one or more states using this same discount.

5. Item 3 is available to list all policies that are combined under the Discount Rule.

6. Use Item 4 if premium discount is shown on another policy issued to the insured.
WC 00 04 07 Rate Change Endorsement

RATE CHANGE ENDORSEMENT

Rate changes that apply to the policy have been approved by the proper regulatory authority. The changes are shown in the Schedule.

<table>
<thead>
<tr>
<th>State</th>
<th>Change</th>
<th>% Change</th>
<th>Longshore and Harbor Workers’ Act Coverage %</th>
</tr>
</thead>
</table>

Notes:
1. Use this endorsement to show a change in rates for state coverage.
2. Use the first and second columns to show the state and effective date of the change.
3. Use the third column if the change is a flat percentage applicable to all classifications.
4. Use the fourth column to show the new percentage, if any, applicable to non-F classifications for work subject to the Longshore and Harbor Workers’ Compensation Act.
5. The company may show a fifth column (Classification Code Number and Rate) in order to show the change on a Schedule of Rate basis.
WC 00 04 25  Experience Rating Modification Revision Endorsement

EXPERIENCE RATING MODIFICATION FACTOR REVISION ENDORSEMENT

This endorsement is added to Part Five-Premium of the policy.

The premium for the policy is adjusted by an experience rating modification factor. The factor shown on the Information Page may be revised and applied to the policy in accordance with our manuals and endorsements. We will issue an endorsement to show the revised factor, if different from the factor shown, when it is calculated.

Notes:

1. This endorsement must be attached to a policy showing Michigan in Item 3.A. of the Information Page.
2. This endorsement may be used if the insured's experience modification factor is not available when the policy is issued.
WC 00 05 08  Retrospective Premium Endorsement Aviation Exclusion

RETROSPECTIVE PREMIUM ENDORSEMENT AVIATION EXCLUSION

Premium and insured losses arising out of an aviation classification listed in the Schedule are excluded from retrospective rating.

Schedule

Notes:

1. Use this endorsement if aviation exposures are not subject to retrospective rating.
2. List the applicable classifications in the Schedule.
WC 00 05 09  Retrospective Premium Endorsement Changes

WC 00 05 09 (Standard)

RETROSPECTIVE PREMIUM ENDORSEMENT CHANGES

The Retrospective Premium Endorsement attached to the policy is changed by the information shown in the Schedule.

Schedule

1. The Excess Loss Premium Factor is changed as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Excess Loss Premium Factor</th>
<th>Effective Date</th>
</tr>
</thead>
</table>

2. Retrospective Development Premium does not apply in these states: ________________

3. The Retrospective Development Factors are changed as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Retrospective Development Factors</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3rd</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. The Tax Multiplier is changed as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Federal</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Other than “F” Classes)</td>
<td>(“F” Classes Only)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State</th>
<th>Effective Date</th>
</tr>
</thead>
</table>

Notes:

1. Use Item 1 of the Schedule to show a change in the excess loss premium factor on an outstanding basis.
2. Use Item 2 of the Schedule to show that retrospective development factors do not apply in a particular state.
3. Use Item 3 of the Schedule to show retrospective development factors approved after the effective date of the policy.
4. Use Item 4 of the Schedule to show a change in the tax multiplier on an outstanding basis.
WC 00 05 10 Retrospective Premium Endorsement Non-ratable Catastrophe Element

WC 00 05 10 A (Standard)

RETROSPECTIVE PREMIUM ENDORSEMENT NON-RATABLE CATASTROPHE ELEMENT OR SURCHARGE

This endorsement changes the Retrospective Premium Endorsement attached to the policy.

1. Standard premium excludes the portion of the premium that is determined by the application of a non-ratable catastrophe element in a rate or a non-ratable catastrophe surcharge required by our manuals. The classifications involving such premiums are listed in the Schedule.

2. Incurred losses do not include the cost in excess of the two most costly claims arising out of an accident involving two or more persons under a classification for which our manuals contain a non-ratable catastrophe element.

Schedule

Notes:

1. Use this endorsement if the policy is retrospectively rated and covers operations or classifications that involve a non-ratable catastrophe element or surcharge. Examples include aircraft operations and explosives and ammunition manufacturing classifications. See the applicable experience rating plan manual.

2. Use the Schedule to list the classifications that affect this endorsement.
WC 00 05 11 Retrospective Premium Endorsement Short Form

RETROSPECTIVE PREMIUM ENDORSEMENT SHORT FORM

The premium for this policy will be determined by the retrospective premium endorsement forming a part of policy number _________________________________.

Notes:

1. If the insured has more than one policy subject to the same retrospective rating Option, use this endorsement to identify the policy that carries the retrospective premium endorsement.

2. If one year policies are issued with a rating plan period longer than one year, this Short Form Endorsement should identify the first policy issued during the rating plan period, because that policy is the only one to be endorsed with the three year or long term retrospective premium endorsement.
WC 21 01 01  Voluntary Compensation Federal Employers’ Liability Act Coverage Endorsement

**MICHIGAN VOLUNTARY COMPENSATION FEDERAL EMPLOYERS’ LIABILITY ACT COVERAGE ENDORSEMENT**

This endorsement adds Voluntary Compensation Federal Employers’ Liability Act coverage to the policy. This endorsement applies only to work subject to the Federal Employers’ Liability Act (45USC Section 51-60) and any amendment to that Act that is in effect during the policy period.

**B. We Will Pay**

We will pay an amount equal to the benefits that would be required of you if you and your employees described in Item 1 of the Schedule were subject to the Workers’ Compensation Law shown in Item 1 of the Schedule. We will pay those amounts to the person who would be entitled to them under that law.

**C. Exclusions**

This insurance does not cover:

1. Any obligation imposed by a workers’ compensation or occupational disease law, or any similar law.
2. Bodily injury intentionally caused or aggravated by you.

**D. Before We Pay**

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
2. Transfer to us their right to recover from others who may be responsible for the injury or death.
3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

**E. Recover From Others**

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

**Schedule**

1. Employees ____________________________ Workers’ Compensation Law
   Employees doing work subject to the
   Federal Employers’ Liability Act

2. Description of work:

**Notes:**

1. Use this endorsement to provide Program II coverage (Voluntary Compensation) under Manual Rule 12 f or F.E.L.A. classifications.
2. When this endorsement is used, the F.E.L.A. Coverage Endorsement must also be used.
WC 21 03 01  Michigan Designated Construction Site Coverage Endorsement

**WC 21 03 01 (Standard)**

**MICHIGAN DESIGNATED CONSTRUCTION SITE ENDORSEMENT**

This endorsement applies only to the insurance provided by the policy because Michigan is shown in Item 3.A. of the Information Page.

Item (e) of the Michigan Law Endorsement is replaced by the following:

That this insurance contract or policy applies only to work conducted at or from the construction site described in the Schedule.

**Schedule**

---

**Insured’s Signature (required if endorsement is to be attached to an outstanding policy)**

**Notes:**

1. This form is designed to insure a specified construction site and is attached when designated construction site approval has been secured from the Bureau of Workers’ Disability Compensation in accordance with MCLA 500.418 .621(2) and R 408. 42.
2. Describe the construction site on the Schedule just as it is described on the order of approval signed by the Director of the Workers Compensation Agency.
3. Obtain the insured’s written consent for this endorsement before attaching it to an outstanding policy.
WC 21 03 02  Michigan Designated Construction Site Exclusion Endorsement

WC 21 03 02 (Standard)

MICHIGAN DESIGNATED CONSTRUCTION SITE ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Michigan is shown in Item 3.A. of the Information Page.

Item (e) of the Michigan Law Endorsement is changed by adding the following:

This insurance contract or policy does not cover work conducted at or from the construction site described in the Schedule.

Schedule

Insured’s Signature (required if endorsement is to be attached to an outstanding policy)

Notes:

1. This form is designed to exclude coverage for a designated construction site when a separate policy has been issued to insure the designated construction site in accordance with MCLA 500.418.621(2) and R 408.42.
2. Describe the construction site on the Schedule just as it is described on the order of approval signed by the Director of the Workers Compensation Agency.
3. Obtain the insured’s written consent for this endorsement before attaching it to an outstanding policy.
WC 21 03 03 Michigan Notice to Policyholder Endorsement

MICHIGAN NOTICE TO POLICYHOLDER ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Michigan is shown in Item 3.A. of the Information Page.

1. Rates and Premium
   This policy contains rates and classifications that apply to your type of business. If you have any questions regarding the rates or classifications, please contact us or your agent.
   You may obtain pertinent rating information by submitting a written request to us at our address shown on this endorsement. We may require you to pay a reasonable charge for furnishing the information.
   You may also submit a written request for a review of the method by which your rates and premiums were determined. If you are not satisfied with the results of the review, you may appeal to the Commissioner of Insurance at the address shown in this endorsement.

2. Payroll Audits
   You may request a payroll audit once each calendar year. Your request must be in writing sent to our address shown in this endorsement. You must state that you believe your payroll expenditures have changed by 20% or more, and you must state the reasons for that belief. We will complete the audit within 120 days of receipt of your request if you provide us with all information we need to perform the audit.

3. Reserves or Redemption
   You may request reserve and redemption information that relates to the premium for this policy. Your request must be in writing sent to our address shown in this endorsement. We will provide you with that information within thirty (30) days of receipt of your request.
   If you believe that the policy premiums are excessive because we set unreasonable reserves or because of the unreasonable redemption of a claim, you may request a meeting with our management representative. Your request must be in writing sent to our address shown in this endorsement. If you are not satisfied with the results of the meeting, you may appeal to the Insurance Commissioner at the address shown in this endorsement.

Addresses

Commissioner of Insurance
Michigan Insurance Bureau
P.O. Box 30220 Lansing, MI 48909

Company Address

Notes:

1. This endorsement must be attached to a policy showing Michigan in Item 3.A. of the Information Page.
2. This notice is required by the Michigan Workers’ Compensation Law.
WC 21 03 04  Michigan Law Endorsement

WC 21 03 04 (Standard)

MICHIGAN LAW ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Michigan is shown in Item 3.A. of the Information Page.

Michigan law requires that we attach this paragraph to your policy in the language specified by the statute. To help you understand the paragraph, the following definitions are added:

1) We are “the insurer issuing this policy”
2) You are “the insured employer”
3) “Michigan Workmen’s Compensation Act” means the Workers’ Disability Compensation Act of 1969
4) “Workmen’s compensation” means workers’ compensation

“Notwithstanding any language elsewhere contained in this contract or policy of insurance, the Accident Fund or the insurer issuing this policy hereby contracts and agrees with the insured employer:

Compensation:

a) That it will pay to the persons that may become entitled thereto all workmen’s compensation for which the insured employer may become liable under the provisions of the Michigan Workmen’s Compensation Act for all compensable injuries or compensable occupational diseases happening to his employees during the life of this contract of policy;

Medical services:

b) This it will furnish or cause to be furnished to all employees of the employer all reasonable medical, surgical, and hospital services and medicines when they are needed which the employer may be obligated to furnish or cause to be furnished to his employees under the provisions of the Michigan Workmen’s Compensation Act and that it will pay to the persons entitled thereto for all such services and medicines when they are needed for all compensable injuries or compensable occupational disease happening to his employees during the life of this contract or policy;

Rehabilitation services:

c) That it will furnish or cause to be furnished such rehabilitation services for which the insured employer may become liable to furnish or cause to be furnished under the provisions of the Michigan Workmen’s Compensation Act for all compensable injuries or compensable occupational disease happening to his employees during the life of this contract or policy;
Funeral expenses:

d) That it will pay or cause to be paid the reasonable expense of the last sickness and burial of all employees whose deaths are caused by compensable injuries or compensable occupational diseases happening during the life of this contract or policy and arising out of and in the course of their employment with the employer, which the employer may be obligated to pay under the provisions of the Michigan Workmen’s Compensation Act;

Scope of contact:

e) That this insurance contract or policy shall for all purposes be held and deemed to cover all the businesses the said employer is engaged in at the time of the issuance of this contract or policy and all other businesses, if any, the employer may engage in during the life thereof, and all employees the employer may employ in any of his businesses during the period covered by this policy;

Obligations assumed:

f) That it hereby assumes all obligations imposed upon the employer by his acceptance of the Michigan Workmen’s Compensation Act, as far as the payment of compensation, death benefits, medical, surgical, hospital care or medicine and rehabilitation services is concerned;

Termination notice:

g) That it will file with the Workers Compensation Agency at Lansing, Michigan, at least 20 days before the taking effect of any termination or cancellation of this contract or policy, a notice giving the date at which it is proposed to terminate or cancel this contract or policy; and that any termination of this policy shall not be effective as far as the employees of the insured employer are concerned until 20 days after the notice of proposed termination or cancellation is received by the Workers Compensation Agency;

Conflicting provisions:

h) That all the provisions of this contract, if any, which are not in harmony with this paragraph are to be construed as modified hereby, and all conditions and limitations in the policy, if any conflicting herewith are hereby made null and void.”

Notes:

This endorsement must be attached to a policy showing Michigan in Item 3.A. of the Information Page.
WC 21 03 05  Michigan Workers’ Compensation Placement Facility Endorsement

WC 21 03 05 A (Standard)

MICHIGAN WORKERS’ COMPENSATION PLACEMENT FACILITY ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Michigan is shown in Item 3.A. of the Information Page and because this insurance is an assigned risk coverage issued by a servicing carrier for either the Facility or the National WC Pool.

This endorsement clarifies the meaning of some words and phrases contained in the policy as they apply to policies placed through the Facility.

“Our Manuals” mean the Facility Basic Manual for Workers’ Compensation and Employers’ Liability Insurance and other Facility Manuals as filed with and approved by the Commissioner of Insurance of the State of Michigan.

“Insurance Rate Service Organizations” referred to in the policy mean the Michigan Workers’ Compensation Placement Facility and the Advisory Organization.

The Facility Special Minimum Premium Rule applies in determining the final premium due under Part Six-E-Final Premium-1 and 2, rather than the amounts indicated by the last sentence of each of these paragraphs.

Long term policies are not available.

If the Partners, Officers and Others Exclusion Endorsement is used with this policy, it must specify the names of the individuals to be excluded. It is not sufficient to list only descriptive phrases on the endorsement such as “all partners”, “partners” or “president”. The particular person(s) must be named, for example, John Smith, President” or “John Smith and Harry Jones, Partners”.

Notes:

This endorsement must be attached to all assigned risk policies issued by servicing carriers for either the Facility or the National WC Pool which provides coverage in the State of Michigan.
WC 21 04 01 Premium Determination Endorsement – Former Self Insured

PREMIUM DETERMINATION ENDORSEMENT – FORMER SELF-INSURERS

It is agreed that:

1. This endorsement applies to the insurance provided by this policy for operations in the states listed in the Schedule of States of this endorsement. The amount of premium you will pay for this insurance will be determined on the basis of the provisions of this endorsement.

2. The amount of premium you will pay for this insurance will be the sum of:
   a. The total premium for the policy determined on the basis of all provisions of this policy other than this endorsement plus
   b. The Group Loss Fund Charges plus
   c. The Risk Loss Fund losses which will be paid from the Risk Loss Fund.

3. Some of the terms used in this endorsement are defined here as they are used in this endorsement:
   a. “State Standard Premium” is the premium, before premium discount is applied, for the insurance for each state listed in the Schedule of States based on all provisions of this policy other than this endorsement.
   b. “Total Standard Premium” is the sum of the state standard premiums.
   c. “Group Loss Fund Charge” is an amount equal to ten percent (10%) of the total standard premium calculated on the basis of the last three years’ average audited payrolls and the last complete year’s audited payroll whichever is higher. Payrolls are to be developed under the rules of the Facility Basic Manual. The Group Loss Fund Charge is to be paid in advance and will not be refunded.
   d. “Risk Loss Fund losses” are incurred losses which are more than the sum of the state permissible losses. The permissible losses for each state are determined by multiplying the expected loss ratio for that state by that state’s standard premium. The expected loss ratio for each state is listed in the Schedule of States of this endorsement.
   e. “Risk Loss Fund” is an amount equal to fifty percent (50%) of the total standard premium calculated on the basis of the last three years’ average audited payrolls or the last complete year’s audited payroll whichever is higher. Payrolls are to be developed under the rules of the Facility Basic Manual. The Risk Loss Fund will be used by us at any time to pay Risk Loss Fund losses. Any portion of the Risk Loss Fund which we do not use will be returned to you, but not before the end of thirty (30) months following the termination of this endorsement.
   f. “Incurred losses” are the sum of:
      1) all losses, including medical, actually paid.
      2) reserves for unpaid losses as estimated by us,
      3) interest accrued after the entry of a judgment against you,
      4) allocated loss adjustment expenses with respect to Part Two – Employers’ Liability, and
      5) expenses we incur in recovering amounts we have paid on your behalf from others who are responsible for those payment.

4. If this policy is canceled by you or by us,
   a. The Group Loss Fund charge and the Risk Loss Fund shall be based on the total standard premium the policy would have earned if the policy had not been canceled but had expired at the end of the policy period shown on the Information Page.
   b. The Group Loss Fund Charge shall be fully earned and we will keep it.
   c. The Risk Loss Fund shall continue to be available to us as provided by this endorsement.

Notes:

1. This endorsement must be used when insuring employers for exposures which have been self-insured within twelve (12) months immediately preceding the date of application for initial coverage, or which were subject to this endorsement on the employer’s expiring policy.
2. Do not use this endorsement for more than three (3) consecutive years for the same employer. Check with the Facility before using this endorsement when insuring an employer engaged in coal mining operations.
WC 21 04 02 Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.


“Act of terrorism” means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States as meeting all of the following requirements:

a) The act is an act of terrorism.

b) The act is violent or dangerous to human life, property or infrastructure.

c) The act resulted in damage within the United States, or outside the United States in the case of the premises of United States missions or certain air carriers or vessels.

d) The act has 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.

“Insured Loss” means any loss resulting from an act of terrorism (including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

“Insurer Deductible” means: for the period beginning on January 1, 2021, and ending on December 31, 2027, an amount equal to 20% of our direct earned premiums during the immediately preceding calendar year.

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed $100,000,000,000 in a calendar year, and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds $100,000,000,000; and for aggregate Insured Losses up to $100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.
Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses occurring in any calendar year exceed $200,000,000, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.

2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed $100,000,000,000.

3. The premium charged for the coverage for Insured Losses under this policy is included in the amount shown in Item 4 of the Information Page or the Schedule below.

Schedule

<table>
<thead>
<tr>
<th>State</th>
<th>Rate per $100 of Remuneration</th>
</tr>
</thead>
</table>

2 of 2
This endorsement is added to Part Five (Premium) because you chose to have the cost of the insurance rated retrospectively. This endorsement explains the rating plan and how the retrospective rating plan premium will be determined.

This endorsement applies in the states listed in the Schedule. It determines the retrospective rating plan premium for the insurance provided during the rating plan period by this policy and any policy listed in the Schedule. The rating plan period is the one-year period beginning with the effective date of this endorsement.

The amount of retrospective rating plan premium depends on five standard elements and two elective elements.

A. Retrospective Rating Plan Premium Standard Elements

The five standard elements are explained here.

1. Standard premium is the premium we would charge during the rating plan period if you had not chosen a retrospective rating plan. Standard premium does not include the following elements and any other elements excluded based on our manuals:
   - Premium discount
   - Expense constant
   - Premium resulting from the non-ratable element codes
   - Premium developed by the occupational disease rates for employers subject to the Federal Mine Safety and Health Act
   - Premium developed by the catastrophe provisions

2. Basic premium is less than standard premium. It is standard premium multiplied by a percentage called the basic premium factor. The basic premium factor varies depending on the total amount of standard premium. The basic premium factor includes:
   - General administration costs of the carrier
   - Cost of loss control services
   - Net aggregate loss factor

The basic premium factor does not cover premium taxes or claims adjustment expenses. Those elements are usually provided for in the tax multiplier and the loss conversion factor.

The Schedule shows a range of basic premium factors for differing amounts of estimated standard premium. The actual basic premium factor will be determined after the standard premium is determined. If earned standard premium is not within the range of the estimated standard premiums shown in the Schedule, the basic premium will be recalculated.
3. Incurred losses are all amounts we pay or estimate we will pay for losses, interest on judgements, expenses to recover against third parties, and employers’ liability loss adjustment expenses. This includes paid and outstanding losses (including any reserves set on open claims). If the allocated loss adjustment expense (ALAE) option is elected, then incurred losses will include ALAE.

Note: The rating formula for incurred losses will not include a loss for the following elements or any other elements excluded from our manuals, as applicable:
- Resulting from the non-ratable element codes
- For the disease-related portion of losses covered under the Federal Mine Safety and Health Act
- Resulting from the application of catastrophe provisions
- Reported as fully fraudulent
- Reported as non-compensable

4. Converted incurred losses are based on the incurred losses for a policy or policies to which the retrospective rating plan applies. A loss conversion factor is applied to incurred losses to produce the converted incurred losses. The loss conversion factor is shown in the Schedule.

5. Taxes are a part of the premium we collect. Taxes are determined as a percentage of basic premium, converted incurred losses, and any elective elements. The percentage is called the tax multiplier. It varies by state and by federal and nonfederal classifications. The tax multipliers are shown in the Schedule.

B. Retrospective Rating Plan Premium Elective Elements
Two other elements are included in determining retrospective rating plan premium if you elected to include them. They are the excess loss premium for the loss limitation and the retrospective development premium. They are explained here.

1. The election of a loss limitation means that the amount of incurred loss to be included in the retrospective rating plan premium is limited to an amount called the loss limitation. The loss limitation applies separately to each person who sustains bodily injury by disease and separately to all bodily injury arising out of any one accident.

The charge for this loss limitation is called the excess loss premium. Excess loss premium is a percentage of standard premium multiplied by the loss conversion factor. The percentage is called the excess loss premium factor.

Excess loss premium factors vary by state, by classification, and by the amount of the loss limitation. If you chose this elective element, the loss conversion factor, the loss limitation, the excess loss premium factors, and the states where they apply are shown in the Schedule.
2. The retrospective development element is used to help stabilize premium adjustments. The premium for this element is charged with the first three calculations of a retrospective rating plan premium and is called the retrospective development premium. It is a percentage of standard premium multiplied by the loss conversion factor. The percentage of standard premium is called the retrospective development factor.

Retrospective development factors vary by state, by electing a loss limitation, and by first, second, and third calculations of retrospective rating plan premium. If you chose this elective element, the retrospective development factors are shown in the Schedule.

C. Retrospective Rating Plan Premium Formula

Insurance policies listed in the Schedule will be combined with this policy to calculate the retrospective rating plan premium. If the policies provide insurance for more than one insured, the retrospective rating plan premium will be determined for all insureds combined, not separately for each insured.

1. Retrospective rating plan premium is the sum of basic premium, converted losses, plus the excess loss premium and retrospective development premium elective elements if you chose them. This sum is multiplied by the applicable tax multiplier shown in the Schedule.

2. The retrospective rating plan premium will not be less than the minimum or more than the maximum retrospective rating plan premium. The minimum and maximum retrospective rating plan premiums are determined by applying the minimum and maximum retrospective rating plan premium factors, shown in the Schedule, to the standard premium.

3. If this endorsement applies to more than one policy or state, the standard premium will be the sum of the standard premiums for each policy and state.

D. Calculation of Retrospective Rating Plan Premium

1. We will calculate the retrospective rating plan premium using all loss information we have as of a date six months after the rating plan period ends and annually thereafter.

We may make a special valuation of a retrospective rating plan premium as of any date that you are declared bankrupt or insolvent, make an assignment for the benefit of creditors, are involved in reorganization, receivership, or liquidation, or dispose of all your interest in work covered by the insurance. You will pay the amount due to us if the retrospective rating plan premium is more than the total standard premium as of the special valuation date.

2. After any calculation of retrospective rating plan premium, you and we may agree that it is the final calculation.
3. After each calculation of the retrospective rating plan premium, you will pay promptly the amount due us, or we will refund the amount due you. Each insured is responsible for the payment of all standard premium and retrospective rating plan premium calculated under this endorsement.

E. Insureds Operating in More Than One State
If any of the policies provide insurance in a state not listed in the Table of States, and if you begin work in that state during the retrospective rating plan period, this endorsement will apply to that insurance if this retrospective rating plan applies in that state on an interstate basis. The retrospective rating plan premium standard elements, and the elective elements you chose, will be determined by our manuals for that state, and added to the Schedule by endorsement.

F. Cancellation of a Policy Under a Retrospective Rating Plan
1. If the policy to which this endorsement is attached is cancelled, the effective date of the cancellation will become the end of the rating plan period of all insurance subject to this endorsement.

2. If other policies listed in the Schedule of this endorsement are cancelled, the effective date of cancellation will become the end of the rating plan period for all insurance subject to this endorsement unless we agree with you, by endorsement, to continue the rating plan period.

3. If we cancel for nonpayment of premium, the maximum retrospective rating plan premium will be based on the standard premium for the rating plan period, increased pro rata to 365 days, and will include all of the applicable retrospective rating plan factors shown in the Schedule.

4. If you cancel, the standard premium for the rating plan period will be increased by our short rate table and procedure. This short rate premium will be the minimum retrospective rating plan premium and will be used to determine the basic premium.

The short rate premium will be used to determine the excess loss premium and retrospective development premium if you chose these elective elements.

The maximum retrospective rating plan premium will be based on the standard premium for the rating plan period, increased pro rata to 365 days.

5. Section F.4. will not apply if you cancel because:
   a. All work covered by the insurance is completed
   b. All interest in the business covered by the insurance is sold
   c. You retire from all business covered by the insurance
Schedule

1. Other policies subject to this Retrospective Rating Plan Premium Endorsement

2. Loss Limitation: $

3. Loss Conversion Factor
   Minimum Retrospective Rating Plan Premium Factor
   Maximum Retrospective Rating Plan Premium Factor

4. The basic premium factors shown here are based on estimates of standard premium. If the actual standard premium is within the range of estimated standard premiums shown here, the basic premium factor will be obtained by linear interpolation to the nearest one-tenth of 1%. If the actual standard premium is not within the range of estimated standard premiums, shown below, the basic premium factor will be recalculated.

<table>
<thead>
<tr>
<th>50%</th>
<th>100%</th>
<th>150%</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

   Estimated Standard Premium: $ $ $

   Basic Premium Factor:

5. The tax multipliers, excess loss premium factors, and retrospective development factors, and the states where they apply, are shown in the Table of States.

   **TABLE OF STATES**

<table>
<thead>
<tr>
<th>State</th>
<th>Excess Loss Premium Factors</th>
<th>Tax Multiplier</th>
<th>Retrospective Development Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State (Other than “F” Classes)</td>
<td>Federal (&quot;F&quot; Classes Only)</td>
<td>State (Other than “F” Classes)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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
Policy No.
Endorsement No.
Insured
Insurance Company
Prepared by
Countersigned by

WC 00 05 03 D (Ed. 1-19)
WC 21 06 01  Michigan Dual or Joint Employment Endorsement

**MICHIGAN DUAL OR JOINT EMPLOYMENT ENDORSEMENT**

This endorsement applies only to the insurance provided by Part One (Workers’ Compensation Insurance) because Michigan is shown in Item 3.A. of the Information Page.

Dual employment or joint employment occurs when an employee acts under the simultaneous or separate control of you and one or more other employers. If an employee is injured in the course of dual or joint employment:

A. The total amount of benefits payable to or on behalf of the employee, to the extent not apportioned to prior employers,
   1. will not exceed the amount that would be payable if the employee had been employed by only one employer with a wage equal to the combined wages from all of the joint or dual employers, and
   2. will be shared by us and the other employers or their insurance carriers.

B. We will be liable for the percentage of benefits that equals the percentage payable by you of the total wages payable to the employee in course of the dual or joint employment on the date on which the bodily injury occurs.

**Note:**

1. To be attached when a dual or joint employee is insured under the policy.
WC 21 06 05  Michigan Waiver of Coordination of Benefits Endorsement

WC 21 06 05 (Standard)

MICHIGAN WAIVER OF COORDINATION OF BENEFITS ENDORseMENT

This endorsement applies only to the insurance provided by Part One (Workers’ Compensation Insurance) because Michigan is shown in Item 3.A. of the Information Page.

The reduction in weekly benefits provided for disability insurance payments under subsection (1) (b) and (c) and subsection (11) of section 418.354 of the Michigan Compiled Laws is hereby waived.

This waiver of the reduction in weekly benefits applies only to volunteer fire fighters, volunteer safety patrol officers, volunteer civil defense workers and volunteer ambulance drives and attendants who are considered employees for purposes of the Michigan Worker’s Disability Compensation Act of 1969 pursuant to section 418.161 (1) (a) of the Michigan Compiled Laws.

Notes:

1. This endorsement may be attached to the policy only when it is issued or renewed. It may not be attached in mid-term.
2. Use this endorsement when the employer wishes to waive the reduction in weekly benefits to the above listed employees as permitted by section 418.354 (15) of the Michigan Compiled Laws.
WC 89 06 00  Policy Information Page Endorsement

POLICY INFORMATION PAGE ENDORSEMENT

The following item(s)

☐ Insured’s Name (WC 89 06 01)
☐ Policy Number (WC 89 06 02)
☐ Effective Date (WC 89 06 03)
☐ Expiration Date (WC 89 06 04)
☐ Insured’s Mailing Address (WC 89 06 05)
☐ Experience Modification (WC 89 04 06)
☐ Producer’s Name (WC 89 06 07)
☐ Change in Workplace of Insured (WC 89 06 08)
☐ Insured’s Legal Status (WC 89 06 10)

is changed to read:

* Item 4. Change to

<table>
<thead>
<tr>
<th>Classifications</th>
<th>Code No.</th>
<th>Premium Basis Total Estimated Annual Remuneration</th>
<th>Rate Per $100 of Remuneration</th>
<th>Estimated Annual Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Estimated Annual Premium $__________________

Minimum Premium $________________________
Deposit Premium $________________________

All other terms and conditions of the policy remain unchanged.

Notes:

1. This endorsement may be used in its present form by placing an X in the applicable block(s), or only the one or more applicable items may be shown.
2. If this endorsement is used as a company endorsement, the company form number should be used in place of W C 89 06 00 A endorsement number.
3. The Bureau copy must show the exact title and “WC 89...” number for each applicable transaction, e.g., Insured’s Name WC 89 06 01.
4. Modification factor changes (WC 89 04 06) or rate changes (WC 89 04 15) do not require premium entries in the Item 4. change section.
5. Make appropriate entries to reflect applicable changes in Item 4.
6. This endorsement must not be used for Item 4. changes where standard endorsements are available to accomplish the intended purpose, e.g., W C 00 04 07.
7. This endorsement must contain an attachment clause which identifies the company, insured, policy number and effective date of the endorsement.
8. Any premium item changes not specifically identified in the endorsement, e.g., premium for increase limits – Item 3.B., should be inserted and identified in the Item 4. section.
General Endorsement Notes

1.  Insurance carriers may use their own attachment clause and method of execution on each endorsement. The execution clause of endorsements issued subsequent to the policy must include at a minimum the following information: policy number, endorsement effective date, name of insurer and insured, the 5-digit NCCI carrier code of the insuring company and premium (if applicable).

2.  The policy number shown must be the unique number shown on the policy Information Page. This number shall not exceed 18 alphanumeric digits. If the number displayed on the Information Page contains a policy symbol consisting of alphanumeric digits that are not entered into the carrier’s internal statistical records as part of the actual policy number, those symbols shall be shown as a separate prefix and/or suffix to the policy number and appropriately labeled.
PART FIVE – EXPERIENCE RATING PLAN

Section One – Instructions
A. The rules of this Plan shall govern the experience rating procedure to be followed in connection with the Workers’ Compensation and Employers’ Liability Insurance placed with the Facility. The Plan applies on an intrastate basis.

These rules have been prepared as applicable to policies written or issued for a period that is more than one year but not more than one year and sixteen days. Such policies shall be considered as one-year policies.

B. The rules and rating values of this Plan become effective 12:01 A.M. June 1, 1997.

C. Unless specified otherwise, this Plan and any changes made hereafter apply only from the policy effective date which occurs on or after the effective date of the Plan or change, but shall not otherwise be available to outstanding ratings. When a change is to be effective on outstanding policies, the page will say “issued” instead of “effective.”

D. As provided in the Standard Workers’ Compensation and Employers’ Liability Policy, the Facility has full authority to verify any or all data, records or statements of the insured for use in establishing the applicable experience modification under the Plan.

Section Two – Definitions
A. Entity
The term “entity” shall mean an individual, partnership, corporation, unincorporated association, limited liability company, other legal entity, or fiduciary (e.g., trustee, receiver, executor or administrator).

B. Risk
The term “risk” as used in this Plan shall mean:

1. A single entity,
2. Two or more entities which qualify for combination under the rules of Section 3 of this plan,
3. Two or more legal entities engaged in a construction, erection or demolition project which has been designated as a “wrap-up” project by the Workers’ Compensation Agency, regardless of whether insurance is provided by one or more policies or servicing carriers.

C. Experience
For the purpose of this Plan, experience shall mean the record established by a risk under Workers’ Compensation and Employers’ Liability Insurance as disclosed by the losses incurred by the insurance carrier or carriers and the payrolls or other exposures segregated according to classifications of operations for Michigan operations.

NOTE: For special provisions applicable to former self-insured’s data, see Rule E of Section Three.
D. Manual Rates

Manual rates shall mean the Workers’ Compensation and Employers’ Liability Insurance rates for the Facility in force on the effective date of the policy except that as respects Rule A of Section Three, premium at manual rates shall mean the premium produced by the manual rates in effect during the experience period and shall exclude the premium produced by the Expense Constant.

Section Three – General Provisions

A. Eligibility Requirements

A risk shall qualify for rating under this Plan:

1. If the payrolls or other exposures developed during the last year or the last two years of the experience period produced a premium at manual rates of at least $10,000, or
2. If the payrolls or other exposures developed during an experience period of more than two years produced an average annual premium at manual rates of at least $5,000.
3. If the payrolls or other exposures developed during an experience period do not qualify in accordance with 1 or 2 above, but produce annual premium between $1,000 and $5,000, a Merit Rating Modification shall apply. Eligibility for merit rating is a minimum of $2000. Such Merit Rating Modification will be determined based upon the number of lost time claims (defined as those lost time claims which have been paid or for which payment has been initiated) in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Number of Lost Time Claims</th>
<th>Merit Rating Modification</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>-5% (0.95)</td>
</tr>
<tr>
<td>1</td>
<td>0% (1.00)</td>
</tr>
<tr>
<td>2</td>
<td>+5% (1.05)</td>
</tr>
</tbody>
</table>

B. Experience Period

The application of this Rule is subject to the provisions of Section Five “TABULATION OF EXPERIENCE” of this Plan.

The experience period except as otherwise provided in this Section shall not be more than three years, commencing four years prior and terminating one year prior to the date for which an experience modification is to be established. Completed policy periods only shall be used and all such periods wholly within the experience period shall be used provided that the valuation date is at least three months prior to the effective date of the modification.

However, if for any reason a part of the earliest policy period falls outside of the normal three year maximum period, such earliest policy period shall be retained in full provided the entire experience period does not then exceed 3 3/4 years, and shall be rejected in full if its retention serves to increase the experience period beyond 3 3/4 years.

If the policy period immediately preceding the earliest policy period, completely within the normal three year experience period, is less than a twelve month period and has been used in only two previous ratings, then the short term policy period shall be retained in full provided the entire experience period
does not then exceed 3 3/4 years, and shall be rejected in full if its retention increases the experience period beyond 3 3/4 years.

If a risk involves two or more policies varying in expiration date, the experience period rule applies.

C. Experience to be Used
The entire experience of the risk (except as otherwise provided by the Plan) incurred within the experience period on all its operations whether such operations are normal to the business or otherwise, shall be reported and used in determining the experience modification. The Facility may at its discretion verify any or all the data from which the experience modification is to be determined.

Experience developed on work let to and performed by an uninsured subcontractor shall be considered as the experience of the primary contractor or principal whose insurance carrier is liable for the payment of compensation under any provisions of the applicable Workers’ Compensation Law, as respects such work.

If a risk discontinues or self-insures all or part of its operations, all experience incurred prior thereto shall be used in rating any remaining or future operations of the risk. If a risk sells or disposes of all or part of its assets or its operations, refer to Rule G – “Ownership Changes” of this Section.

D. Recalculated Experience Modification Due to a Change in Ownership
1. Rule G provides rules regarding the continuation or exclusion of experience when an entity undergoes a change in ownership. Unless excluded under the provisions of Rule G.2., such experience shall be retained in future ratings in accordance with the following procedure:
   a. The experience modification of the new owner shall be revised to include the past experience of the acquired entity, subject to Rule B of this Section.
   b. If the new owner is not experience or merit rated, an experience modification shall be calculated utilizing the experience of the acquired entity together with any applicable existing experience.
   c. If, based on its ownership in other entities, the previous owner continues to be experience rated after the change in ownership, its experience modification shall be revised to exclude all experience of the relinquished entity.
2. Experience modifications in accordance with a., b. and c. above shall be calculated and apply as follows:
   a. If the first written reporting of ownership change by either the acquiring entity or acquired entity to their carrier or the Facility occurs within 90 days of the date of the change, the calculation of the revised modification(s) shall be as of the date of the change.
   b. If the first written reporting of such change occurs more than 90 days after the change, the calculation of the revised modification(s) shall be as of the next policy effective date following the earliest notice either carrier or the Facility received of the change.

E. Former Self-Insurers’ Data
The carrier of record in the voluntary market can submit former self-insured data for use of the mod calculation. The carrier must have a current policy on file for an insured before the data will be entered and a mod run or revised to include the data. An insured in the Facility can submit former self-insured data for their mod calculation. The experience of a former self-insurer may be accepted by the Facility provided it is submitted on an approved form giving definite information with respect to payrolls and losses. The submission of self-insured data is voluntary and once it is included in the mod calculation it is not deleted.

F. Combination of Entities

1. Separate legal entities shall be combined for experience rating purposes when all such combinable entities are insured for workers’ compensation insurance through the Facility. Combination of separate legal entities for experience rating purposes shall occur when the same person or group of persons or corporation owns a majority interest in each of the legal entities.

2. Separate legal entities insured through the Facility shall not be combined for experience rating purposes unless majority interest exists as listed in 1. above. See Rule G, however, for the inclusion of past experience of unrelated entities when changes in ownership occur.

3. Combinable legal entities which are insured in the voluntary market shall not be combined with those which are insured through the Facility as long as there is current coverage. If an otherwise combinable legal entity ceases to have coverage in the voluntary market, the past experience of that entity shall be combined with the experience of the entity or entities which are insured through the Facility.

4. If a legal entity insured through the Facility owns a majority interest in another legal entity insured through the Facility, which in turn owns the majority interest in another legal entity insured through the Facility, all legal entities insured through the Facility and so related shall be combined for experience rating purposes regardless of the number of legal entities in succession.

In the term “majority interest”, as used in this rule, “majority” shall mean more than 50%.

If a legal entity insured through the Facility, other than a partnership:

a. has issued voting stock, majority interest shall mean a majority of the issued voting stock;

b. has not issued voting stock, majority interest shall mean a majority of the members;

c. has not issued voting stock and has no members, majority interest shall mean a majority of the board of directors or comparable governing body.

If a legal entity insured through the Facility is a partnership, majority interest shall be determined in accordance with the participation of each partner in the profits of the partnership. If the partner is a limited partnership, only the general partners are to be
considered for ownership purposes. (Limited partners are not to be considered relative to majority interest.)

The experience to be used in a rating combination applicable to entities insured through the Facility shall be subject to the “Ownership Changes” rules of this Section.

NOTE: If two or more different combinations are possible in accordance with provisions of this rule, the combination involving the greatest number of legal entities insured through the Facility shall be made. The experience of any legal entity used in such a combination shall not otherwise be used in combination with any other legal entity insured through the Facility. Ownership interest held by an entity as a fiduciary is considered in determining majority ownership interest. Such an entity’s total ownership interest shall also include any ownership held in a non-fiduciary capacity. For the purposes of this rule, fiduciary does not include a trustee under a revocable trust or a franchisor.

G. Ownership Changes

Changes in ownership interest may affect the continued use of an entity’s experience in future ratings. Based on the rules of this section of the Plan, when a change occurs, a determination shall be made to exclude or retain the entity’s experience.

For the purposes of this Plan, a change in ownership includes any of the following:

a. sale, transfer or conveyance of all or a portion of an entity’s ownership interest;
b. sale, transfer or conveyance of an entity’s physical assets to another entity which takes over its operations;
c. merger or consolidation of two or more entities;
d. formation of a new entity, whether previous or subsequent to the dissolution or non-operative capacity of an entity. Non-operative means that the entity no longer employs the employees who perform the specific operations in question. The entity may still be in operation doing other things or may be obtaining the employees from some other source. The experience will transfer to the new provider of the employees or other new entity if such experience is identifiable in the experience record and the provider of the employees, if an employment contractor, does not already supply significant numbers of employees to other, unrelated employers;
e. voluntary or court mandated establishment of a trustee or receiver, excluding a debtor in possession, a trustee under a revocable trust or a franchisor.

1. Continuation of Experience

Unless excluded under 2. below, the experience for an entity undergoing a change in ownership shall be transferred to the experience ratings of the acquiring, surviving or new entity.

EXCEPTION:

If an entity disposes of part of its operations but otherwise continues to operate its business, or if a multiple entity risk disposes of one or more entities whose statistical data has been combined on a single policy and the experience of the various operations is not discernable from the reported statistics; the experience shall continue to be used in future experience ratings of
the seller unless the Facility is furnished with the appropriate experience to provide for the transfer of the data to the acquiring entity. If, however, the majority of the payroll, other than for Special Classifications, has transferred to the acquiring, surviving or new entity, the entire experience shall transfer also.

2. Exclusions of Experience

The experience for any entity undergoing a change in ownership shall be excluded from future experience ratings only if each of the following conditions a., b. and c. are met:

   a. The change must be a material change such that the:
      1) entire ownership interest after the change had no ownership interest before the change, or
      2) the collective ownership of all those having an interest in an entity both before the change and after the change amounts to either less than 1/3 ownership before the change, or less than 1/2 after the change.

   b. The material change in ownership is accompanied by a change in the operations sufficient to result in reclassification of the operations having the largest amount of payroll, excluding the Special Classifications, to a classification contained in a different group of classifications. For the listing of classifications by group, refer to the Michigan Workers’ Compensation Statistical Plan Manual.

   c. The material change in ownership is accompanied by a change in the process and hazard of the operations.

If the experience of an entity is to be excluded, the experience modification no longer applies as of the date of the change. An experience modification of 1.00 (unity) shall apply effective the date of change, unless acquired by an entity with an existing experience modification.

H. Joint Venture

When two or more contractors associate for the purpose of undertaking one or more construction, erection or demolition projects as a joint venture, the premium for the operations involved in such venture shall be subject to an experience modification which shall be the arithmetical average of the experience modifications of the joint contract venturers in force on the effective date of the policy covering the joint venture (using unity [1.00] for the experience modification for any contract venturer who is not subject to experience rating) subject, however, to the following conditions:

   1. The contracts shall be awarded in the name of the associated contractors as a joint venture.
   2. The joint venturers shall share responsibility for and participate in the control, direction and supervision of all work undertaken.
   3. The joint venturers shall maintain a common bank account, payroll and business records.

The arithmetical average experience modification shall be effective as of the inception date of the initial policy covering the joint venture and shall be applicable for a period of 12 months. At the end of the period, and annually thereafter on a rating anniversary determined in accordance with the provisions of
this Plan, a new arithmetical average experience modification shall be calculated. When, however, the joint venture qualifies for rating in accordance with the provisions of this Plan, the experience modification for the future rating of the venture shall be based on such experience exclusively.

An experience modification determined in accordance with the foregoing shall be applicable for the effective period to all policies covering the identical contractors collectively as joint venturers.

The experience developed under a joint venture shall be excluded from the future rating of the individual contractors.

Section Four – Application of Experience Modification

A. Experience Modification

There shall be not more than one experience modification on a risk at the same time. Subject to the exceptions noted below, the experience modification shall be applied to the premium developed by the use of manual rates in force on the effective date of the policy.

EXCEPTIONS:

The following are not subject to experience rating:

1. Expense Constant
2. The policy minimum premium

B. Period and Operations Affected

The experience modification shall be effective for a period of twelve months, except as provided previously or in 1. or 2. below, and shall apply to all the operations of the risk, regardless of whether the current or any new operations are assigned to the same classifications as were used in establishing such modifications.

1. Single Policy Risk
   a. Unless the Facility directs otherwise, the experience modification effective as of the policy effective date shall apply for the full term of the policy.
   b. If a policy becomes effective on any other date a new experience modification apply for the new policy effective date.

2. Multiple Policy Risk

   Unless the Facility directs otherwise, if a risk is covered by several policies which differ as to inception dates, the following procedure shall apply:

   A single experience modification shall be computed to coincide with the policy effective date of the primary policy. This modification shall be applicable to all combinable policies for the portion of their term which falls within the period that such modification is in force. A new modification shall be computed to coincide with the next policy effective date of the primary
policy. This modification shall be applicable to all combinable policies as of the new modification effective date.

Section Five – Tabulation of Experience

A. Experience Used for Rating

The experience used for rating purposes shall be the individual risk experience valued at least three months prior to the rating date and reported in accordance with the Michigan Workers’ Compensation Statistical Plan. The valuation date is eighteen months after the inception date of the policy and annually thereafter.

B. Rating Forms

To determine the experience modification, the prescribed experience shall be tabulated on rating forms as determined by the Facility.

C. Payrolls

The audited payroll or other exposures for each classification for the experience period shall be tabulated by policy periods. If the carrier has been unable to complete an audit on an individual risk, estimated payrolls as submitted by the carrier will be used subject to correction when the actual audited payrolls become available.

D. Losses

Incurred losses shall be tabulated by policy year in the manner indicated below. However, where the rating date is not the effective date of the policy under which such losses were incurred, both the effective month and year of the policy shall be shown.

1. The indemnity and medical incurred on each case shall be combined and the total cost shall be listed for rating purposes in accordance with the procedure set forth in the following paragraphs, 2 through 4 inclusive. All disease losses shall be separately identified as such and shall be treated the same as losses resulting from traumatic injury. All losses are subject to a limitation either per accident or total disease. Losses incurred under the state workers’ compensation law shall be subject to the State Accident Limitation. Losses incurred under the U.S. Longshore and Harbor Workers’ Act shall be subject to the USL&HW Act Accident Limitation and losses incurred under any of the employers’ liability coverage’s shall be subject to the Employers’ Liability Accident Limitation.

In accidents involving two or more persons, the total losses chargeable to the accident employed in the rating shall be limited to twice the applicable accident limitation. The total primary losses chargeable to the accident and employed in the rating shall be limited to two times the applicable primary excess split point value, which is twice the maximum primary value. The total excess losses chargeable to the accident and employed in the rating shall be the difference between the total losses chargeable to the accident (limited to the applicable accident limitation) and the corresponding primary losses.

For each policy year, the total disease losses shall be limited to triple the accident limitation plus 120% of the risk’s total expected losses for the experience period. For each policy year, the
actual primary loss for disease losses is limited to two times the applicable primary excess split point value, which is twice the normal maximum primary value, plus 40% of the risk’s total expected primary losses for the experience period. For each policy year, the excess disease losses shall be the difference between the total disease losses and the primary disease losses as determined above.

NOTE: For purposes of applying the rule above, the disease losses of all policies included in the rating and effective within 24 months prior to the effective date of the modification shall be combined to constitute the disease losses of the latest policy year; similarly disease losses of all policies effective within the next prior 12 months shall be combined for the second prior policy year; and the disease losses of all other prior policies shall be combined to constitute the earliest policy year.

2. Cases on each of which the combined indemnity and medical cost does not exceed $2,000 shall not be listed individually but shall be summarized and reported in the aggregate by policy year. Any disease losses included in this category shall be shown in a separate group. If one or more claims within a group are open, the group shall be designated as open by the symbol “O”.

3. Cases on which the combined indemnity and medical exceeds $2,000 shall be individually listed. The status of any such case shall be indicated by an “O” or “F” in the appropriate column.

4. Cases involving medical only shall be tabulated in accordance with paragraphs 2 and 3 above.

5. Claims reported as non-compensable are excluded from modifications effective 01-01-13 and thereafter.

6. Claims reported as fully fraudulent are excluded from modifications effective 01-01-13 and thereafter.

7. All claims reported with Catastrophe Number 12 shall be excluded from experience rating calculations. Catastrophe Number 12 claims include all workers’ compensation claims directly attributable to the COVID-19 pandemic.

E. Joint Hospital Contracts
If the carrier has maintained a contract for medical and/or hospital services covering more than one risk, the amount of such medical reported for a given risk shall be the pro rata share of the total contract price based upon the number of treatments.

F. Clinical Medical
When a carrier maintains a medical clinic, the cost of each treatment given shall be charged against the individual risk in accordance with a fixed schedule of charges per treatment. The cost of each treatment shall be further assigned to the individual compensation claim wherever possible. Treatments not assigned to individual compensation claims shall be treated as primary losses and shall be tabulated in accordance with D.2. above. Such schedule of charges may distinguish between types of treatment and
shall apply without exception to all risks with cases treated by the clinic and shall be frequently revised and adjusted if necessary so that the total charges for a given period will be equivalent to the total cost of maintaining the clinic, including salaries, rent, light, heat, depreciation of equipment, cost of supplies, etc.

G. Moral Responsibility

No loss shall be excluded from the experience of a risk on the ground that the employer was not morally responsible for the accident that caused such loss.

H. Revision of Losses

Where calculation of an experience modification based on reserves at normal valuation date and compared with cost of claims closed between such valuation date and next effective date of rating results in an aggravated inequity, the Chief Executive Officer of the Facility, upon proper request shall be permitted to determine a revised experience modification upon filing a revised unit report.

When cases of third party subrogation are extended on an open reserve basis beyond the time limit provided in the normal experience rating rules, such cases must be referred to the Chief Executive Officer of the Facility for approval.

Except as described in the preceding two paragraphs it shall not be permissible to revise values because of departmental or judicial decision or because of developments in the nature of injury between two valuation dates; provided, however, that:

1. In cases where loss values are included or excluded through mistake other than error of judgment,

2. Where the claim is non-compensable (see NOTE, below),

3. Where the carrier or claimant has recovered in an action against a third party or has received, or anticipates to receive, reimbursement from a Second Injury or similar type Fund, or

4. Where upon settlement of final adjustment of a third party liability-over claim or suit, the third party has not recovered against the insured,

It shall be permissible to submit a revised reporting and the Facility shall thereupon adjust the current rating. Such revised losses may be used to adjust the two immediate preceding ratings.

NOTE: For purposes of this Rule, the term “non-compensable” refers to:

a. An official ruling specifically holding that a claimant is not entitled to benefits under the Workers’ Compensation Law.

b. A case where no claim was filed during the period of limitation provided by the Workers’ Compensation Law for the filing of such claim and the carrier therefore closes the case.
c. A case where the carrier contends, prior to the valuation date, that a claimant is not entitled to benefits under the Workers’ Compensation Law, and the claim is closed because of the claimant’s failure to prosecute his claim.

I. Third Party and Liability-Over Cases

1. Pending Cases
   When a negligence claim or suit has been instituted by a claimant against a third party or a liability-over claim or suit is involved, the procedure shall be as follows:

   If the claim or suit against the third party has not been settled or finally adjudicated, the incurred loss, subject to the appropriate accident limitation shall be included in the rating since failure to recover against a third party is no bar to compensation and the insurance carrier may eventually be obliged to indemnify the claimant in whole or in part for the loss sustained.

   Liability-over loss valuation for claims or suits not settled shall be included in the rating, subject to the appropriate accident limitation, as the possibility of payments exists as in any third party case.

2. Settled Cases – Other than Liability-Over
   In cases where the carrier has received reimbursement under subrogation rights or where the insured employee or his dependents have recovered from a third party, the procedure shall be as follows:

   The net loss limited to the appropriate accident limitation shall be tabulated. The net loss tabulated for experience rating shall be determined by deducting from the incurred loss prior to recovery, the amount recovered through subrogation reduced by any expense incurred in obtaining such recovery. However, in cases where the expense incurred in connection with such recovery exceeds the amount recovered, the net loss tabulated shall not exceed the gross amount of loss prior to recovery.

3. Settled Cases – Liability-Over
   In cases where the carrier successfully defends a liability-over claim or suit by a third party against the insured and no payment is made, the experience rating shall include any allocated claim adjustment expenses incurred in the defense of such claim or suit.

   The above amount is subject to the Employers’ Liability Accident Limitation.

   In cases where a carrier makes a payment because of a liability-over claim or suit by a third party against the insured, the procedure shall be as follows:

   The loss valuation established for the liability-over claim or suit shall be retained in the experience rating until the next normal valuation date, at which time the settlement
amount increased by any allocated claim adjustment expenses incurred in the defense of such claim or suit shall be used in future ratings.

The above amount is subject to the Employers’ Liability Accident Limitation.

Section Six – Rating Procedure

A. Experience Modification Formula

\[
\text{Total } A = \text{Actual Primary Losses} + \text{Ballast Value} + \text{Weighting Value} \times \text{Actual Excess Losses} + (1 - \text{Weighting Value}) \times \text{Expected Excess Losses}
\]

\[
\text{Total } B = \text{Expected Primary Losses} + \text{Ballast Value} + \text{Weighting Value} \times \text{Expected Excess Losses} + (1 - \text{Weighting Value}) \times \text{Expected Excess Losses}
\]

For experience modification, divide Total A by Total B, and round to two decimal places.

Experience Modification = \[
\frac{\text{Total } A}{\text{Total } B}
\]

For smaller insureds there is a limit to the debit modification which will be applied. The following listing shows selected examples of the applicable limit by size:

<table>
<thead>
<tr>
<th>Expected Losses</th>
<th>Modification Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>1.15</td>
</tr>
<tr>
<td>5,000</td>
<td>1.39</td>
</tr>
<tr>
<td>10,000</td>
<td>1.69</td>
</tr>
<tr>
<td>15,000</td>
<td>1.99</td>
</tr>
</tbody>
</table>

\[\text{CAP} = 1.10 + 0.0004 \times \frac{E}{G}\]
\[E = \text{Expected Losses}\]
\[G = \text{State Reference Point (SRP)} / 250,000\]
\[\text{SRP} = 10 \times \text{State Per Claim Accident Limitation}\]

B. Actual Primary Losses

Actual Primary Losses reflect claim frequency. The maximum primary value for each loss is the applicable primary excess split point value. For each loss equal to or less than the applicable primary excess split point value, the entire amount is used as the primary value. For each loss over the applicable primary excess split point value, the primary value is the applicable primary excess split point value.

For Medical Only losses (injury type 6), the actual incurred and primary actual losses will be reduced by 70%.
C. Expected Loss Rate
The policy year classification expected loss rates required for the calculation of the total expected losses shall be obtained from the tables of the Plan.

D. D Ratio
The Plan provides for the determination of “primary expected losses” corresponding to the primary actual losses referred to above. The classification D ratios required for the determination of the primary expected losses shall be obtained from the tables of the Plan.

E. Ballast Value
This value is a stabilizing element designed to limit the effect of any single loss on the experience modification. It is added to both the actual primary losses and expected primary losses.

The Ballast Value increases as expected losses increase. These values may be obtained from the Tables of Weighting and Ballast Values in this Plan.

F. Weighting Value
This value is a ratio that determines the percentage of excess losses to enter the experience rating calculation. It is applied to both actual excess losses and expected excess losses.

The Weighting Value is a value which increases as expected losses increase. These values may be obtained from the Tables of Weighting and Ballast Values in this Plan.

G. Special Rating Plan Rule
In connection with risks developing a debit despite a loss ratio of less than 60%, no debit shall be charged for risks developing a loss ratio of less than 50% and for risks developing a loss ratio lying between 50% and 60%, the determined debit shall be graded from no debit for risks developing 50% loss ratio to full debit for risks developing 60% loss ratio. Similarly, no credit shall be allowed for risks developing a loss ratio of 70% or more, and for risks developing a loss ratio lying between 60% and 70%, the credit shall be graded from no credit for risks developing more than 70% loss ratio to full credit for risks developing 60% loss ratio.

NOTE: Inasmuch as no provision is made in the Plan for indicating premiums, the basis for determining loss ratio consists of a comparison of (a) actual losses and (b) expected losses; consequently, to obtain the desired result, the terms given above, to wit: 50%, 60% and 70% are transported into Test Ratios of 83.3%, 100% and 116.7%

1. The total amount of actual incurred losses is divided by the total expected losses in order to get a Test Ratio.
2. If the Test Ratio is less than 83.3% and if the regular rating procedure produces a debit, a modification of 1.00 will apply.
3. If the Test Ratio lies between 83.3% and 100%, only a portion of the debit will be used. The percentages shown below indicate the portion of the debit to be used.
   To 83.3% - No Debit Applied – Use Modification of 1.00
### H. Rating Plan A

Under certain conditions, policies written through the Facility are subject to a surcharge percentage. This surcharge is applicable to risks who qualify for experience rating under Section Three, A.1. or 2. as follows:

A “Test Ratio” defined as,

\[
\text{Test Ratio} = \frac{\text{Actual Losses}}{\text{Expected Losses} \times \text{Experience Modifications}}
\]

<table>
<thead>
<tr>
<th>Test Ratio</th>
<th>Percent of Actual Debit to be Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>83.3 to 83.9</td>
<td>10%</td>
</tr>
<tr>
<td>84.0 to 85.9</td>
<td>20%</td>
</tr>
<tr>
<td>86.0 to 87.9</td>
<td>30%</td>
</tr>
<tr>
<td>88.0 to 89.9</td>
<td>40%</td>
</tr>
<tr>
<td>90.0 to 91.9</td>
<td>50%</td>
</tr>
<tr>
<td>92.0 to 93.9</td>
<td>60%</td>
</tr>
<tr>
<td>94.0 to 95.9</td>
<td>70%</td>
</tr>
<tr>
<td>96.0 to 97.9</td>
<td>80%</td>
</tr>
<tr>
<td>98.0 to 99.9</td>
<td>90%</td>
</tr>
<tr>
<td>100.0</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Test Ratio</th>
<th>Percent of Actual Debit to be Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>100.0</td>
<td>100%</td>
</tr>
<tr>
<td>100.1 to 101.9</td>
<td>90%</td>
</tr>
<tr>
<td>102.0 to 103.9</td>
<td>80%</td>
</tr>
<tr>
<td>104.0 to 105.9</td>
<td>70%</td>
</tr>
<tr>
<td>106.0 to 107.9</td>
<td>60%</td>
</tr>
<tr>
<td>108.0 to 109.9</td>
<td>50%</td>
</tr>
<tr>
<td>110.0 to 111.9</td>
<td>40%</td>
</tr>
<tr>
<td>112.0 to 113.9</td>
<td>30%</td>
</tr>
<tr>
<td>114.0 to 115.9</td>
<td>20%</td>
</tr>
<tr>
<td>116.0 to 116.7</td>
<td>10%</td>
</tr>
<tr>
<td>116.8 and Over</td>
<td>0%</td>
</tr>
</tbody>
</table>

4. If the Test Ratio lies between 100% and 116.7 only a portion of the credit will be used. The percentages shown below indicate the portion of the credit to be used. Over 116.7% - No Credit Applied – Use Modification of 1.00
is calculated with the following schedule of surcharges applying based upon the size of the Test Ratio (TR):

<table>
<thead>
<tr>
<th>Test Ratio</th>
<th>Surcharge</th>
</tr>
</thead>
<tbody>
<tr>
<td>TR &lt; 1.20</td>
<td>None</td>
</tr>
<tr>
<td>1.20 &lt; TR &lt; 1.30</td>
<td>10%</td>
</tr>
<tr>
<td>1.30 &lt; TR &lt; 1.40</td>
<td>20%</td>
</tr>
<tr>
<td>1.40 &lt; TR &lt; 1.50</td>
<td>30%</td>
</tr>
<tr>
<td>TR &gt; 1.50</td>
<td>40%</td>
</tr>
</tbody>
</table>

For risks producing an average annual premium between $1,000 and $5,000, the surcharge is determined as follows:

<table>
<thead>
<tr>
<th>Number of Lost Time Claims</th>
<th>Surcharge</th>
</tr>
</thead>
<tbody>
<tr>
<td>0, 1 or 2</td>
<td>None</td>
</tr>
<tr>
<td>3</td>
<td>10%</td>
</tr>
<tr>
<td>4</td>
<td>20%</td>
</tr>
<tr>
<td>5</td>
<td>30%</td>
</tr>
<tr>
<td>6</td>
<td>40%</td>
</tr>
</tbody>
</table>

After the experience modification and the test ratio have been computed, the individual years in the experience period will be analyzed to determine which years were responsible for producing the surcharge. A comparison of each year’s losses to expected losses will indicate whether the full surcharge or only a portion thereof applies. If the original test ratio produces a 40% or 30% surcharge and actual losses exceed expected losses in only one or two years, then 1/3 or 2/3 of the indicated surcharge would apply. If the original test ratio produces 20% surcharge and actual losses exceed expected losses in only one or two years, then a modified surcharge of 10% or 15%, respectively, would apply.

Risks with more than three years’ coverage going into the rating period will be handled as follows:

The expiration date of the latest policy going into the experience period will determine the three years of comparison. Any policies effective within 12 months of the expiration date of this latest policy will be considered the first year of comparison. Any policies effective within 12 to 24 months of the expiration date of this latest policy will be considered in the second year of comparison. All other policies will be grouped together into the third year of comparison.

I. Rating Plan B

The following rules will govern the insuring of employers who, for the exposures to be insured, have been self-insured within the twelve months immediately preceding the date of application for initial coverage under the Plan; who are in good faith entitled to insurance under the Workers’ Compensation Law; and who have been unable to secure such insurance in the regular manner. The determination and collection of premium and any security, financial or loss fund deposits and any rating plan deemed necessary by the Facility shall be determined on an individual risk basis and applied in accordance with MCL 500.2312.
1. Application shall be filed with the Facility either by the employer or his representative on a form approved by the Facility.

2. Upon receipt of the completed application, the Facility shall assign the risk for a period of three consecutive years, subject to removal from the Plan under Rule 9 of this Plan, to a servicing carrier designated to receive such risks, furnishing that servicing carrier with the application and any classification and rating data which may be available.

3. Assignments shall not be made unless all Workers’ Compensation premium obligations on any previous insurance placed through the Facility have been met by the employer.

4. Within five business days after the receipt of the assignment, the designated servicing carrier shall notify the employer of the program’s requirements and the terms under which the servicing carrier will issue the policy. The insurer will have a maximum of sixty days from the date of assignment in which to compute the estimated premium to fulfill other requirements prior to binding coverage. Within the sixty days, and prior to inception of coverage, the insurer will receive from the employer a deposit premium and specified loss funds.

The deposit premium and Group Loss Fund Charge and the Risk Loss Fund shall be at least the sum of:

   a. The estimated premium payable under applicable Deposit Premium Rules;

   b. A non-refundable Group Loss Fund Charge of 10% of the total standard premium calculated on the basis of the last three years’ average audited payroll, or the last complete year’s audited payroll, whichever is higher;

   c. A Risk Loss Fund of 50% of the total standard premium calculated on the basis of the last three years’ average audited payroll, or the last complete year’s audited payroll, whichever is higher;

For purposes of these rules, “Total Standard Premium” is the premium for Michigan before applying premium discount. It is calculated by multiplying the appropriate audited payroll by the manual rates in effect for the coverage period requested and including any experience modification and any other premium charges such as increased limits charges. Payroll shall be developed consistent with the rules of Part One of this Basic Manual.

The Risk Loss Fund requirement may be satisfied in the following manner:

   1) The employer may establish a trusteeed account with a legally constituted financial institution acceptable to the servicing carrier. The trusteeed account must provide that no withdrawals of the principal by the employer will be permitted.
2) The employer may provide a non-revocable letter of credit acceptable to the servicing carrier.

Any unused portion of the Risk Loss Fund will be returned to the insured not earlier than at the end of thirty months after the expiration of the policy. The requirement of a Risk Loss Fund shall not apply to those insured having a total standard premium as calculated for the Group Loss Fund Charge of less the $5,000.

5. Upon receipt of required premium and loss funds, the servicing carrier shall issue a policy to be effective as of 12:01 a.m. on the first day following receipt of such premium and loss funds. The policy shall be issued for a term of one year. The policy Information Page and the “Premium Determination Endorsement – Former Self-Insurers”, as well as any other endorsements properly stamped WCIP, must be filed with the Facility.

6. If, after issuance of a policy, the designated servicing carrier determines that an employer is not entitled to insurance, or has failed to comply with reasonable safety requirements, or has violated any of the terms conditions under which the insurance was issued, and the servicing carrier feels cancellation is in order, the reasons therefore shall be filed with the Facility for approval prior to issuance of the Cancellation Notice. However, approval shall not be required when cancellation is for nonpayment of premium.

7. All risks assigned under this Plan shall be written at the classifications and rates established by the Facility. Any risk or servicing carrier may appeal to the Facility if it does not agree with the established classifications, rates, rating data, premium or loss funds. In the event agreement cannot be reached, the matter shall be referred to the Facility’s Appeals Committee for final disposition.

8. At least sixty days prior to the expiration date of insurance under both the first and second year policies, the servicing carrier shall send a renewal proposal to the insured with copies to the agent and the Facility. Such a proposal shall include a request for payment in accordance with procedures set forth in Rule 4, including the payment of the deposit premium and appropriate loss funds. Upon receipt of the deposit premium and appropriate loss funds, the policy shall be issued in the normal manner; and a copy of such policy and the “Premium Determination Endorsement – Former Self-Insurers”, as well as any other endorsements, properly stamped WCIP, must be filed with the Facility.

At least sixty days prior to expiration of the third one year policy, the servicing carrier shall inform the insured of its eligibility for coverage thereafter, subject to the requirements of such Plans as are then available.

The insured or his representative shall make the necessary arrangements to maintain the continuity of coverage either voluntarily by an insurer or under an applicable rating plan afforded by the Facility.
9. Any insurer who wishes to insure a risk as direct business may do so at any time. The Facility policy will be canceled and the assignment shall automatically terminate as of the effective date of the voluntary insurer’s insurance. However, the full Risk Loss Fund will be retained by the servicing carrier and will be used to fund any losses in excess of the permissible losses contemplated by the earned Standard Premium.

10. The employer may designate a licensed producer and, with respect to any renewal of the assigned insurance, may change the designated producer by notice to the insurer prior to the date of such renewal. The employer may change the designated producer at any time; however, the commission fee will be paid to the producer of record on the effective date of the policy. The servicing carrier shall pay a commission fee to the designated producer. The fee shall be based on the total Michigan earned standard premium and shall not exceed the commission fee schedule as provided in the Facility Rules.

11. This Plan shall be under the jurisdiction of the Facility.

J. Rating Plan C

Rating Plan C applies to all policies written through the Facility which do not qualify for treatment under either Rating Plan A or Rating Plan B. It provides for the issuance and auditing of policies as directed by the Facility Basic Manual including any modifications provided for the Retrospective Rating Plan or this Experience Rating Plan.

Section Seven – United States Longshore and Harbor Workers’ Act Coverage

The General Rules of this Plan shall apply, except as otherwise provided or supplemented in this Section. For those classifications with code numbers followed by the letter “F”, the expected loss rates have been calculated to include expected losses under both the State Compensation Act and the United States Longshore and Harbor Workers’ Act. Losses under these codes shall be subject to the USL&HW Act Accident Limitation.

For classifications whose code numbers are not followed by the letter “F”, but where coverage under the USL&HW Act is provided, the exposures shall be extended at the regular state expected loss rates increased by the USL&HW Act Coverage Percentage to determine the total expected losses for such exposure. Actual losses shall be subject to the USL&HW Act Accident Limitation.

For both situations, the experience modification is then calculated in the usual manner.
Section Eight – Employers’ Liability Coverage

The General Rules of this Plan shall apply, except as otherwise provided or supplemented in this Section. For the purposes of this Section, Employers’ Liability coverage shall include Part Two of the Standard Workers’ Compensation and Employers’ Liability Policy, Admiralty and Federal Employers’ Liability Accident Limitation.

The total incurred cost of each case shall be limited to the Employers’ Liability Accident Limitation.