

CERTIFICATION BY POLICYHOLDER

We, _____, do hereby certify the following:

1. We have applied to the companies listed below for the coverages listed and fully understand the insurance applied for shall not be effective until the application is approved and accepted by the Company and a Contract is issued. No agent has the authority to bind coverage.

Insurance Company	Coverage Applied For

2. We have reviewed, with the agent of the Company whose signature appears below, the coverages, limits, terms, and exclusions of each contract.

3. We understand each of the following:

- a) *This is not Workers' Compensation Insurance.*
- b) **Excess Reimbursement** coverage is a reimbursement contract for certain benefits paid by us under the terms of our Employee Benefit Plan subject to the Employee Retirement Income Security Act (ERISA) or the deductible portion of our workers' compensation policy. The insurance carrier is not authorized to and does not sell workers' compensation insurance.
- c) **Employers Excess Indemnity and/or Limited Employers Indemnity** coverage reimburses us for certain defense costs and judgments we have paid. We understand the terms under which said reimbursements may be made. There is a sunset provision in these policies. This provision has been explained, and we understand how it may affect payments under the policy. We also understand payments and the deductible of our occupational injury plan will reduce the amount available under a Limited Employers Indemnity policy.
- d) **Occupational Accident Insurance and Occupational Long Term Disability** coverages are employee benefits and do not insure any risk of the Policyholder. These policies are not indemnity coverages and do not protect the Policyholder from loss or damage on account of accidental injury, disease, sickness, or death of an employee. These policies are not liability insurance. No coverage offered by these policies is intended to, nor will it provide us any protection or defense against any suit which may be brought by anyone for any reason. The insurance carrier is not authorized to and does not sell workers' compensation.
- e) *There may be benefits paid under our ERISA Plan or workers' compensation policy that are not reimbursable/payable by these insurance contracts.*
- f) Changes in any ERISA or workers' compensation policy attached to the application for the insurance contract do not change the reimbursement amount or terms of the benefits of the insurance policy issued, unless such changes are consented to in writing by the insurance carrier.
- g) Special Insurance Services, Inc. (SIS) may administer claims on behalf of the Company. Even when SIS has also been selected as the Third Party Administrator for our ERISA Plan or workers' compensation policy, there may be instances where benefits are payable under our ERISA Plan or workers' compensation policy and are not reimbursable/payable under the insurance contract issued by the Company.
- h) Any plan created by an employer to provide benefits to its employees may be subject to the Employee Retirement Income Security Act of 1974. If so, this may require certain information be filed with the regulatory authorities and communicated to our employees in a certain manner. The Company has informed us that it is an employer's obligation to comply with this law.
- i) **THIS IS NOT A POLICY OF WORKERS' COMPENSATION. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THE CONTRACT, AND IF THE EMPLOYER IS A NONSUBSCRIBER, THE EMPLOYER LOSES CERTAIN COMMON-LAW DEFENSES TO SUIT AS WELL AS CERTAIN LIMITATIONS ON LIABILITY THAT WOULD BE AVAILABLE UNDER THE WORKERS' COMPENSATION LAWS. THE EMPLOYER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NONSUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.**

4. In lieu of submitting state Employment Commission reports, we verify that the payroll and census information, including adjustments, We have (and will) submit does (and will) accurately reflect the wage and employment status of our company. We understand the premium charged for the coverage is calculated from payroll and census information we submit. We further understand that any misrepresentation of this data could result in a reduction or denial of benefits.

Signature Date

Title (must be signed by a Corporate Officer)

Agent's Signature Date

Agency

Level Premium Installment Option

(Complete this section only if applying for a Level Premium Installment Option)

We hereby apply for the Level Premium Installment Option. We understand this option is only available if approved by the Company and that we will be notified in writing of such approval. We have included our last four quarterly Employment Commission reports for the underwriter to review as a part of the approval process.

We further understand and agree to the following terms and conditions of the Level Premium Installment Option:

1. The Level Premium is a minimum and deposit premium and is fully earned by the Company;
2. An audit of our records will be conducted to determine the total premium due based on the premium rates stated in the policy;
3. We will pay any additional premium due as a result of the audit within 30 days of the date the Company invoices us for such additional premium;
4. We will pay interest of 1% per month on the amount of premium remaining unpaid 30 days after the date of the invoice for such premium;
5. We will pay any costs the Company incurs in the audit premium if we fail to pay the invoiced amount within 30 days of the date of the invoice including, but not limited to, collection agency fees, legal fees and court costs.

Signature Date

Title (must be signed by a Corporate Officer)

Agent's Signature Date

Agency