

August 8, 2008

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: *NCCI Item B-1407*: Catastrophe Provisions
 Miscellaneous Values, Rules, and Statistical Codes
NCCI Item P-1406: Withdrawal of WC 00 01 13 A
 and revisions to WC 00 04 21 B and WC 00 04 22

The North Carolina Rate Bureau has adopted and the North Carolina Commissioner of Insurance has approved the adoption of changes to rates and forms associated with Terrorism. On December 26, 2007 President Bush signed the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA) that extends the federal backstop for terrorism exposure until December 31, 2014. Earlier this year, the Rate Bureau issued circulars C-08-2 and C-08-3 as an initial response to the federal legislation.

The recent changes enable carriers to use one TRIA premium as opposed to separate premiums for foreign and domestic terrorism. This item removes domestic terrorism from the miscellaneous values and includes it in the terrorism value (formerly the foreign terrorism miscellaneous value). Additionally, rule references to these catastrophe provisions are modified, and statistical codes are also modified accordingly. This filing withdraws Endorsement WC 00 01 13 A, and revises Endorsements WC 00 04 21 B and WC 00 04 22. In addition, the rating values were reviewed, and the Terrorism charge (formerly the Foreign Terrorism charge) has been reduced (see Summary of Revised Rating Values below). The department has approved these changes to be effective 9/1/2008.

COMPANY ACTION TABLE

| IF | THEN |
|---|---|
| Company decides to adopt the NCRB filing including the effective date of 9/1/08 | Company does not need to make a filing with the Department of Insurance |
| Company decides to modify the effective date or charge | Company files the charge or effective date it proposes with the Department of Insurance, specifying the basis for the modification(s) |

**Summary of Revised Rating Values
 Effective 9/1/08**

| Stat Code | Revised Description | Revised Loss Cost | Revised Rate (Assigned Risk) |
|------------------|---|--------------------------|-------------------------------------|
| 9740 | Terrorism (includes Foreign and Domestic) | 0.01 | 0.02 |
| 9741 | Catastrophe (Other than Terrorism) | 0.01 | 0.01 |

For clarification, a separate disclosure notice to be used for Terrorism is not required by the North Carolina Department of Insurance. However, at the company's option, the current disclosure forms may continue to be used. Any carrier that elects to implement a disclosure notice, other than the one the Bureau has filed, must file that notice directly with the Department of Insurance

Attached to this circular, for your convenience, are the following revised items:

- Pages in NCCI's *Basic Manual* that have changed, including both the miscellaneous values and the associated rules
- Revised Endorsements WC 00 04 21 C and WC 00 04 22 A
- The revised Premium Algorithm for Voluntary and Assigned Risk Workers Compensation and Employers Liability policies
- Revised pages from North Carolina's *Statistical Plan Manual*

The above revisions and changes are effective September 1, 2008 and are applicable to new and renewal business only.

If you have any questions, please contact the Information Center at 919-582-1056 or wcinfo@ncrb.org.

Sincerely,

Sue Taylor

Director of Insurance Operations

ST:dg

C-08-14

ITEM B-1407—CATASTROPHE PROVISIONS MISCELLANEOUS VALUES, RULES AND STATISTICAL CODES

EXHIBIT 12-A
BASIC MANUAL
MISCELLANEOUS VALUES PAGES
ADVISORY LOSS COST PAGES

(APPLIES IN: AL, AR, AZ, CO, CT, DC, GA, IA, ID, IL, IN, KS, KY, LA, MD, ME, MS, MT, NC, NE, NH, NV, OK, OR, RI, SC, SD, UT, VT, WV)

~~Foreign-Terrorism~~ (Advisory Loss Cost)..... X.XX

ITEM B-1407—CATASTROPHE PROVISIONS MISCELLANEOUS VALUES, RULES AND
STATISTICAL CODES

EXHIBIT 12- B
BASIC MANUAL
MISCELLANEOUS VALUES PAGES
ASSIGNED RISK RATE PAGES
(APPLIES IN: AL, AR, AZ, CT, DC, GA, IA, IL, IN, KS, MS, NC, NH, NV, OR, SC, SD, VT)

~~Foreign-Terrorism~~ (Assigned Risk)..... X.XX

ITEM B-1407—CATASTROPHE PROVISIONS MISCELLANEOUS VALUES, RULES AND
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EXHIBIT 13-A
BASIC MANUAL
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NH, NV, OK, OR, RI, SC, SD, UT, VT, WV)

~~Domestic Terrorism, Earthquakes and catastrophic Industrial Accidents~~ **Catastrophe (other than
Certified Acts of Terrorism)** (Advisory Loss Cost)... X.XX

ITEM B-1407—CATASTROPHE PROVISIONS MISCELLANEOUS VALUES, RULES AND
STATISTICAL CODES

EXHIBIT 13-B
BASIC MANUAL
MISCELLANEOUS VALUES PAGES
ASSIGNED RISK RATE PAGES
(APPLIES IN: AL, AR, AZ, CT, DC, GA, IA, IL, IN, KS, MS, NC, NH, NV, OR, SC, SD, VT)

~~Domestic Terrorism, Earthquakes and catastrophic Industrial Accidents~~ Catastrophe (other than
~~Certified Acts of Terrorism~~ (Assigned Risk)... X.XX

ITEM B-1407—CATASTROPHE PROVISIONS MISCELLANEOUS VALUES, RULES AND
STATISTICAL CODES

EXHIBIT 14
BASIC MANUAL—2001 EDITION
RULE 3—RATING DEFINITIONS AND APPLICATION OF PREMIUM ELEMENTS
A. EXPLANATION AND APPLICATION

24. Catastrophe Provisions

- a. **Terrorism Risk Insurance Act (TRIA) of 2002** [___] and any amendments thereto enacted by Congress.

- b. ~~Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents (DTEC) Catastrophe~~ **(other than Certified Acts of Terrorism)**

Premium for ~~Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents~~ Catastrophe (other than Certified Acts of Terrorism) is calculated on the basis of total payroll according to Rule 2. A risk's total payroll in each state is divided by units of \$100 and multiplied by the appropriate value found in the state pages. The calculation is expressed as (Payroll/100 x ~~DTEC Catastrophe~~ Catastrophe (other than Certified Acts of Terrorism) Value = Premium). This premium is applied after standard premium and is not subject to any other modifications including, but not limited to, premium discount, experience rating, schedule rating, or retrospective rating.

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 this premium.

Per capita charges are not subject to premium under this Act.

- c. ~~Foreign~~ **Terrorism**

Premium for ~~Foreign~~ Terrorism is calculated on the basis of total payroll according to Rule 2. A risk's total payroll in each state is divided by units of \$100 and multiplied by the appropriate value found in the state pages. The calculation is expressed as (Payroll/100 x ~~Foreign~~ Foreign Terrorism Value = Premium). This premium is applied after standard premium and is not subject to any other modifications including, but not limited to, premium discount, experience rating, schedule rating, or retrospective rating.

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 this premium.

Per capita charges are not subject to premium under this Act.

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

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” means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2007.

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, 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 of 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 (and, except for Pennsylvania, 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, 2008, and ending on December 31, 2014, an amount equal to 20% of our direct earned premiums, over the calendar year immediately preceding the applicable Program Year.

“Program Year” refers to each calendar year between January 1, 2008 and December 31, 2014, as applicable.

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a Program 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 exceed \$100,000,000 in a Program Year, the United States Government would pay 85% 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 charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

Schedule

State

Rate

Premium

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

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

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium \$

Insurance Company

Countersigned by _____

CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT

This endorsement is notification that your insurance carrier is charging premium to cover the losses that may occur in the event of a Catastrophe (other than Certified Acts of Terrorism) as that term is defined below. Your policy provides coverage for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism). This premium charge does not provide funding for Certified Acts of Terrorism contemplated under the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A), attached to this policy.

For purposes of this endorsement, the following definitions apply:

- Catastrophe (other than Certified Acts of Terrorism): Any single event, resulting from an Earthquake, Noncertified Act of Terrorism, or Catastrophic Industrial Accident, which results in aggregate workers compensation losses in excess of \$50 million.
- Earthquake: The shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity.
- Noncertified Act of Terrorism: An event that is not certified as an Act of Terrorism by the Secretary of Treasury pursuant to the Terrorism Risk Insurance Act of 2002 (as amended) but that meets all of the following criteria:
 - a. It is an act that is violent or dangerous to human life, property, or infrastructure;
 - b. The act results in damage within the United States, or outside of the United States in the case of the premises of United States missions or air carriers or vessels as those terms are defined in the Terrorism Risk Insurance Act of 2002 (as amended); and
 - c. It is an act that 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.
- Catastrophic Industrial Accident: A chemical release, large explosion, or small blast that is localized in nature and affects workers in a small perimeter the size of a building.

The premium charge for the coverage your policy provides for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism) is shown in Item 4 of the Information Page or in the Schedule below.

Schedule

| | | |
|--------------|-------------|----------------|
| State | Rate | Premium |
|--------------|-------------|----------------|

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

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

Endorsement Effective
Insured

Policy No.

Endorsement No.

Premium:

Insurance Company

Countersigned by _____

NORTH CAROLINA WORKERS COMPENSATION PREMIUM ALGORITHM *Effective 01 Sept 2008*

The following algorithm provides the framework for premium charges and credits. Where not specified, the premium base would be the result from the prior line.*

| | PREMIUM ELEMENTS | EXPLANATORY NOTES |
|---|--|--|
| | MANUAL PREMIUM | [(PAYROLL / 100) * RATE] |
| + | Supplementary Disease (foundry, abrasive, sandblasting) | [(SUBJECT PAYROLL / 100) * DISEASE RATE] |
| + | USL&H Exposure for non-F classification codes | [(SUBJECT PAYROLL / 100) * (RATE * USL&H FACTOR)] |
| | TOTAL MANUAL PREMIUM | |
| + | Waiver of Subrogation Factor | Blanket Waiver: [% applied to Total Manual Premium] Specific Waiver: [% applied to the portion of Total Manual Premium where waiver is applied] |
| + | Employers Liability (E/L) increased limits factor | [% applied to Total Manual Premium] |
| + | Employers Liability increased limits charge | [Balance to E/L increased limits minimum premium] |
| + | Employers Liability increased limits factor (Admiralty, FELA) | [Factor applied to the portion of Manual Premium where Admiralty/FELA coverage is applied] |
| + | Employers Liability/Voluntary Compensation flat charge | [Coverage in Monopolistic State Funds] |
| - | Deductible credit | [% applied to Total Manual Premium] |
| | TOTAL SUBJECT PREMIUM | |
| x | Experience Modification | |
| | TOTAL MODIFIED PREMIUM | |
| x | Schedule Rating factor(1 – SR credit %) or (1 + SR debit %) | |
| + | Supplemental Disease Exposure (Asbestos, NOC)† | |
| + | Atomic Energy Radiation Exposure NOC† | |
| + | Charge for non-ratable catastrophe loading† | |
| + | Aircraft Seat Surcharge | |
| + | Balance to Minimum Premium (State Act) | [Balance to minimum premium at Standard Limits] |
| + | Balance to Minimum Premium (Admiralty, FELA) | |
| | TOTAL STANDARD PREMIUM‡ | |
| - | Premium Discount§ | [% applied to Standard Premium] |
| + | Coal Mine Disease Charge | [Surface and other than mining] |
| + | Expense Constant | |
| + | Terrorism | [(PAYROLL / 100) * TERRORISM VALUE] |
| + | Catastrophe (other than Certified Acts of Terrorism) | [(PAYROLL / 100) * CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) VALUE] |
| | ESTIMATED ANNUAL PREMIUM | |

* The above rating method would be used in absence of independent carrier filings.

† Non-ratable Element Premiums generated by non-ratable portion of manual rate are subject to all applicable premium elements applied to the policy, however, not subject to experience rating or retrospective rating.

‡ Statistical calls for ratemaking data contain a different definition of "Standard Premium." Refer to the *Reporting Guidebook for the Annual Calls for Experience*.

§ For policies subject to premium adjustments under a retrospective rating plan, premium discount does not apply.

NOC = Not Otherwise Classified.

Note: For short rate cancellations, short rate percentage/short rate penalty premium factor is subject to experience rating, included in Total Subject Premium, and applied prior to Experience Modification.

NORTH CAROLINA ASSIGNED RISK WORKERS COMPENSATION PREMIUM ALGORITHM Effective 01 Sept 2008

The following algorithm provides the framework for premium charges and credits. Where not specified, the premium base would be the result from the prior line.

| | PREMIUM ELEMENTS | EXPLANATORY NOTES |
|---|---|--|
| | MANUAL PREMIUM | [(PAYROLL / 100) * RATE] |
| + | Supplementary Disease (foundry, abrasive, sandblasting) | [(SUBJECT PAYROLL / 100) * DISEASE RATE] |
| + | USL&H Exposure for non-F classification codes | [(SUBJECT PAYROLL / 100) * (RATE * USL&H FACTOR)] |
| | TOTAL MANUAL PREMIUM | |
| + | Waiver of Subrogation Factor | Blanket Waiver: [% applied to Total Manual Premium] Specific Waiver: [% applied to the portion of Total Manual Premium where waiver is applied] |
| + | Employers Liability (E/L) increased limits factor | [% applied to Total Manual Premium] |
| + | Employers Liability increased limits charge | [Balance to E/L increased limits minimum premium] |
| + | Employers Liability increased limits factor (Admiralty, FELA) | [Factor applied to the portion of Manual Premium where Admiralty/FELA coverage is applicable] |
| + | Employers Liability/Voluntary Compensation flat charge | [Coverage in Monopolistic State Funds] |
| - | Small Deductible credit | [% applied to Total Manual Premium] |
| | TOTAL SUBJECT PREMIUM | |
| x | Experience Modification (Exp Mod) | |
| | TOTAL MODIFIED PREMIUM | |
| x | Assigned Risk Adjustment Program (ARAP) Surcharge | |
| + | Supplemental Disease Exposure (Asbestos, NOC)† | |
| + | Atomic Energy Radiation Exposure NOC† | |
| + | Charge for nonratable catastrophe loading† | |
| + | Aircraft Seat Surcharge | |
| + | Balance to Minimum Premium (State Act) | [Balance to minimum premium at Standard Limits] |
| + | Balance to Minimum Premium (Admiralty, FELA) | |
| | TOTAL STANDARD PREMIUM‡ | |
| + | Coal Mine Disease Charge | [Underground, surface, surface auger] |
| + | Expense Constant | |
| + | Terrorism | [(PAYROLL / 100) * TERRORISM VALUE] |
| + | Catastrophe (other than Certified Acts of Terrorism) | [(PAYROLL / 100) * CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) VALUE] |
| | ESTIMATED ANNUAL PREMIUM | |

† Nonratable Element Premiums generated by nonratable portion of manual rate are subject to all applicable premium elements applied to the policy, however, not subject to experience rating or retrospective rating.

‡ Statistical calls for ratemaking data contain a different definition of "Standard Premium." Refer to **Reporting Guidebook for the Annual Calls for Experience**.

NOC = Not Otherwise Classified.

Note: For short rate cancellations, short rate percentage/short rate penalty premium factor is subject to experience rating, included in Total Subject Premium, and applied prior to Experience Modification. All North Carolina assigned risk policies with total estimated annual standard premium or total audited standard premium that equals or exceeds \$200,000 are subject to the mandatory Loss Sensitive Rating Plan (LSRP).

TABLE OF CONTENTS

SECTION ONE - INTRODUCTION

SECTION TWO - GENERAL INSTRUCTIONS

| | |
|--|---|
| 1. Scope of Report..... | 1 |
| 2. Validity of the Unit Report..... | 1 |
| 3. Form of Report..... | 2 |
| 4. Date of Valuation and Filing..... | 2 |
| 5. Fine System for late Unit Reports..... | 3 |
| 6. Fractions of Dollars..... | 3 |
| 7. Dates..... | 3 |
| 8. Uncollectible Premiums..... | 3 |
| 9. Reinsurance..... | 3 |
| 10. Radiation Exposure..... | 4 |
| 11. National Defense Projects..... | 4 |
| 12. Excess Policies..... | 4 |
| 13. Multiple Year Policies - Other than Three-Year Fixed Rate..... | 4 |
| 14. Catastrophe Provisions..... | 5 |
| 15. Reporting Fully Fraudulent Claims..... | 5 |
| 16. Reporting Partially Fraudulent Claims..... | 5 |
| 17. Method of Transmittal..... | 6 |

SECTION THREE - REPORTING INSTRUCTIONS - POLICY IDENTIFICATION DATA

| | |
|---|---|
| 1. Report Number..... | 1 |
| 2. Correction Sequence Number..... | 1 |
| 3. Correction Type..... | 1 |
| 4. Replacement Indicator..... | 1 |
| 5. Carrier Code..... | 1 |
| 6. Policy Number..... | 2 |
| 7. Policy Effective Date..... | 2 |
| 8. Policy Expiration Date..... | 2 |
| 9. Exposure State..... | 2 |
| 10. State Effective Date..... | 2 |
| 11. Certificate Number..... | 2 |
| 12. Card Serial Number..... | 2 |
| 13. Risk ID Number..... | 3 |
| 14. Page Number..... | 3 |
| 15. Last Page Number..... | 3 |
| 16. Insured Name..... | 3 |
| 17. Insured Address..... | 3 |
| 18. Federal Employer Identification Number (FEIN)..... | 3 |
| 19. Pending File Number..... | 3 |
| 20. Mod Effective Date..... | 3 |
| 21. Unit Report Resubmission Indicator..... | 3 |
| 22. Rate Effective Date..... | 4 |
| 23. Policy Conditions..... | 4 |
| 24. Policy Type ID..... | 4 |
| 25. Deductible Type..... | 5 |
| 26. Deductible Percent..... | 5 |
| 27. Deductible Amount Per Claim/Accident Deductible Amount..... | 5 |
| 28. Deductible Amount Aggregate Limits..... | 5 |

- C. The reports on a policy covering the period July 1, 2000 to January 1, 2003, with the last six months considered as a unit, shall be filed with the regular reports on policies effective in July 2000, July 2001 and July 2002. Losses shall be valued January 2002, January 2003 and January 2004, respectively.

Note: *A policy issued for a period not longer than one year and sixteen days is treated as a one-year policy.*

* **14. Catastrophe Provisions**

A. **Terrorism**

The premium debit charge for the Terrorism Act must be reported under statistical code 9740 on lines J, K or L. The charge does not apply to the subject premium or the standard premium totals.

B. **Catastrophe (other than Certified Acts of Terrorism)**

The premium debit charge for **Catastrophe Provisions for Catastrophe (other than certified acts of Terrorism)** must be reported under statistical code 9741 on lines J, K, or L. The charge does not apply to the subject premium or the standard premium totals.

Note: Catastrophe Provision Certified losses must be reported with the appropriate catastrophe number, accident date parameter and injury description including the Cause of Injury Code 96-Terrorism.

15. Reporting Fully Fraudulent Claims – Approved effective 5-10-04

When the claim has been ruled or declared fully fraudulent, the whole cost of the claim must be netted to zero for unit statistical reporting.

- If the claim is deemed to be fully fraudulent prior to the 1st report level, the claim is considered non-compensable and is not to be reported.
- If the claim is deemed fully fraudulent subsequent to the 1st report level, but within one year after the 5th report due date of the unit report on which the claim appears, a correction report must be filed. Reduce the incurred claim cost to zero. This must be corrected on all the report levels impacting the current and up to two prior modifications.
- If the claim is deemed to be fully fraudulent as of the 6th report due date or subsequent reduce the incurred claim cost to zero at the next valuation date.

16. Reporting Partially Fraudulent Claims – Approved effective 5-10-04

When a claim or portion of the claim is deemed to be partially fraudulent, the cost of the claim must be netted down to reduce the net incurred loss by the declared fraudulent amount.

- If the claim, or portion of the claim is deemed to be partially fraudulent prior to the 1st report level, the net incurred cost of the claim must reflect the reduction of the claim by the partially fraudulent amount.
- If the claim, or a portion of the claim is deemed to be partially fraudulent subsequent to the 1st report level, but within one year after the 5th report due date of the unit report on which the claim appears, a correction must be filed. The cost of the claim must be netted down to reduce the net incurred loss by the declared fraudulent amount. This must be corrected on all report levels impacting the current and two prior modifications.
- If the claim, or a portion of the claim, is deemed to be partially fraudulent as of the 6th report due date or subsequent, a correction report is not required. If the claim remains open, reduce the net incurred loss by the declared fraudulent amount at the next valuation date.

13. Minimum Premiums

The determination of whether or not an employer falls under the minimum premium criteria is made by comparing the premium obtained by extension of payroll plus the expense constant to the highest minimum premium shown on the carriers filed rate pages for the classifications on the policy. When the premium, including the expense constant, is less than the policy minimum premium, the additional premium necessary to balance to the minimum premium shall be assigned to Code 0990 and reported on Lines D, E or F. The amount reported under Code 0990 should not include expense constants. Expense constants are reported separately.

If the minimum premium applies to a multi-state policy, the additional premium required to bring the total employer standard premium up to the minimum premium shall be allocated to the state with the highest minimum premium.

14. Total Standard Exposure - Line G

Report the sum of all payroll exposures above Line A. For multi-page unit reports, report this total on the last page only.

15. Total Standard Premium - Line G

Report the sum of all premium dollars, both subject and not subject to modification, which are to be included in standard premium. For multi-page unit reports, report this total on the last page only. This total must exclude the amounts for premium discount and/or expense constant.

16. Premium Discount Amount - Line H

Report the premium adjustment resulting from the application of the premium discount plan reported under Code 0063 (stock/ Type A premium discount) or 0064 (non-stock/Type B premium discount). Do not include the premium discount amount in the total standard premium.

17. Expense Constant Amount - Line I

Report the premium adjustment resulting from the application of the expense constant under Class Code 0900. Do not include the expense constant amount in the total standard premium.

For multi-state policies, allocate the expense constant to the state with the highest applicable expense constant. If two or more states have the same highest expense constant, allocate the expense constant to the state developing the highest standard premium.

* **18. Terrorism**
Statistical code 9740, to be reported on line J, K or L.

* **19. Catastrophe (other than Certified Acts of Terrorism)**
Statistical code 9741, to be reported on line J, K or L.

| | | |
|-----------|---|-----------|
| | Radiation Exposure NOC: Operations Involving Research, Manufacturing, Handling, Transportation, Use of or Exposure to Radiation Materials - Other than Government Agency Atomic Energy Project. | Code 9985 |
| 5. | <i>Deductible Credit - Not subject to Experience Modification</i> | Code 9663 |
| 6. | <i>Drug Free Workplace Credit</i> | Code 9846 |
| 7. | <i>Independent Carrier Filing</i> | |
| | Premium Credit Applied After Experience Modification | Code 9722 |
| | Premium Debit Applied After Experience Modification | Code 9724 |
| 8 | <i>Minimum Premium</i> | |
| | Additional Premium to Balance to Minimum Premium | Code 0990 |
| 9. | <i>Non-Ratable Elements</i> | |
| | In connection with Code 4771 - Explosives or Ammunition Mfg: NOC Code 0771 | |
| | In connection with Code 7405 - Air Carrier Scheduled: Flying Crew | Code 7445 |
| | In connection with Code 7432 - Air Carrier - Commuter: Flying Crew | Code 7453 |
| 10. | <i>Rate Deviation Premium Adjustment</i> | |
| | Credit | Code 9034 |
| 11. | <i>Schedule Rating Plan Premium Adjustment</i> | |
| | Credit | Code 9887 |
| | Debit | Code 9889 |
| 12. | <i>Supplemental Disease Experience</i> | |
| | In Connection with Asbestos Experience | Code 0133 |
| | Not Otherwise Classified (NOC) | Code 0179 |
| 13. | <i>Workplace Safety Credit Program</i> | Code 9880 |
| C. | <i>Premium Not Subject to Experience Modification (Reported in Risk Totals Section)</i> | |
| 1. | <i>Expense Constant</i> | Code 0900 |
| 2. | <i>Premium Discount</i> | |
| | Stock/Type A | Code 0063 |
| | Non-Stock/Type B | Code 0064 |
| * | 3. Terrorism | Code 9740 |
| * | 4. Catastrophe (other than Certified Acts of Terrorism) | Code 9741 |
| 5. | <i>Disease Experience- Coal Mining</i> | |
| | In Connection with Code 1005-Surface | Code 0156 |
| | In Connection with any class other than Coal Mining where there is liability under Federal Coal Mine Health and Safety Act | Code 0164 |

NUMERIC LIST OF STATISTICAL CODES

| CODE | DESCRIPTION | SUBJECT TO MOD? | EXPOSURE BASE | ADD TO TOTAL STANDARD EXPOSURE? | IS PREMIUM A CREDIT? | ADD TO TOTAL STANDARD PREMIUM? | REPORTED LOSSES OK? |
|--------|--|-----------------|---------------|---------------------------------|----------------------|--------------------------------|---------------------|
| * 9740 | TERRORISM | NO | PAYROLL | NO | NO | NO | NO |
| * 9741 | CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) | NO | PAYROLL | NO | NO | NO | NO |
| 9803 | EMP LIAB LIMITS W/WORKERS COMP 100,000/100,000/ 1,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9804 | EMP LIAB LIMITS W/WORKERS COMP 100,000/100,000/ 2,500,000 | YES | NONE | N/A | NO | YES | NO |
| 9805 | EMP LIAB LIMITS W/WORKERS COMP 100,000/100,000/ 5,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9806 | EMP LIAB LIMITS W/WORKERS COMP 100,000/100,000/ 10,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9807 | EMP LIAB LIMITS W/WORKERS COMP 500,000/500,000/ 500,000 | YES | NONE | N/A | NO | YES | NO |
| 9808 | EMP LIAB LIMITS W/WORKERS COMP 500,000/500,000/ 1,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9809 | EMP LIABILITY LIMITS W/WORKERS COMP 500,000/500,000/ 2,500,000 | YES | NONE | N/A | NO | YES | NO |
| 9810 | EMP LIAB LIMITS W/WORKERS COMP 500,000/500,000/ 5,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9811 | EMP LIAB LIMITS W/WORKERS COMP 500,000/500,000/ 10,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9812 | EMP LIAB LIMITS W/WORKERS COMP 1,000,000,1,000,000/ 1,000,000 | YES | NONE | N/A | NO | YES | NO |
| 9813 | EMP LIAB LIMITS W/WORKERS COMP 1,000,000/1,000,000/ 2,500,000 | YES | NONE | N/A | NO | YES | NO |
| 9814 | EMP LIAB LIMITS W/WORKERS COMP 1,000,000/1,000,000/ 5,000,000 | YES | NONE | N/A | NO | YES | NO |

- A -

| | |
|--|-----------|
| Accident Date | Five - 2 |
| Admiralty and/or FELA Coverage | Eight - 4 |
| Aggravated Inequity | Six - 2 |
| Aircraft Operation – Passenger Seat Surcharge | Four - 2 |
| Allocated Loss Adjustment Expense | |
| Excluded from Losses | Five - 4 |
| Incurred | Five - 16 |
| Paid | Five - 16 |
| Annuity Tables | |
| Surviving Spouse Pension Table - Table I-A | Nine - 1 |
| Surviving Spouse Pension Table - Table I-B | Nine - 4 |
| Surviving Spouse Pension Table - Table I-C | Nine - 7 |
| Present Value of Remarriage Dowry - Table II-A | Nine - 10 |
| Present Value of Remarriage Dowry - Table II-B | Nine - 13 |
| Pension Table (Other Than Surviving Spouse) - Table III-M-A | Nine - 16 |
| Pension Table (Other Than Surviving Spouse) - Table III-M-B | Nine - 17 |
| Pension Table (Other Than Surviving Spouse) - Table III-M-C | Nine - 18 |
| Pension Table (Other Than Surviving Spouse) - Table III-M-D | Nine - 19 |
| Pension Table (Other Than Surviving Spouse) - Table III-F-A | Nine - 20 |
| Pension Table (Other Than Surviving Spouse) - Table III-F-B | Nine - 21 |
| Pension Table (Other Than Surviving Spouse) - Table III-F-C | Nine - 22 |
| Pension Table (Other Than Surviving Spouse) - Table III-F-D | Nine - 23 |
| Present Value of Survivorship Benefits - Table IV-A | Nine - 24 |
| Annuity Table Examples | |
| Tables I-A and II-A | Nine - 26 |
| Tables III-M-A and III-F-A | Nine - 27 |
| Tables I-B, I-C and II-B | Nine - 28 |
| Tables III-M-B, III-M-C, III-M-D, III-F-B, III-F-C, III-F-D and IV-A | Nine - 29 |
| Assigned Risk Adjustment Program (ARAP) | Eight - 4 |
| Atomic Energy | Eight - 4 |
| Awards | Five - 5 |

- C -

| | |
|---|----------------|
| Canceled Mid-Term Indicator | Eight - 2 |
| Card Serial Number | Three - 2 |
| Carrier Code | Three - 1 |
| Catastrophe | |
| Number | Five - 13 |
| * Catastrophe Provisions | |
| Other than Certified Acts of Terrorism | Two - 5 |
| Terrorism | Two - 5 |
| Certificate Number | Three - 2 |
| Claim Grouping Option | Five - 1 |
| Claim Identification | Five - 1 |
| Claim Number | Five - 1 |
| Claim Status Code | Eight - 12 |
| Claimant’s Attorney Fees Incurred | Five - 15 |
| Classification Code | Five - 8 |
| Codes Common to Premium and Losses | Eight - 1 |
| Coding Specifications | C - 1 |
| Contract Medical Costs | Five - 9 |
| Correction Reports - When Required | Six - 1 |
| Correction Sequence Number | Three - 1 |
| Correction Type | Three - 1 |
| Corrections or Revisions | |
| Exposure | Six - 1 |
| Loss | Six - 1 |

- D -

| | |
|---|------------|
| Data Element Coding Specifications | C - 1 |
| Data Values | |
| Correction Type | Eight - 1 |
| Deductible Type | Eight - 2 |
| Exposure Coverage Code | Eight - 3 |
| Exposure State | Eight - 1 |
| Exposure Update Type | Eight - 3 |
| Injury Description Code | Eight - 13 |
| Injury type | Eight - 12 |
| Loss Conditions | Eight - 12 |
| Loss Update Type | Eight - 12 |
| Managed Care Organization Type | Eight - 13 |
| Policy Conditions | Eight - 2 |
| Policy Type ID | Eight - 1 |
| Report Number | Eight - 1 |
| Valuation Date | Eight - 1 |
| Vocational Rehabilitation Indicator | Eight - 13 |
| Date of Valuation and Filing | Two - 2 |
| Dates | Two - 3 |
| Death and Permanent Disability Claims | Five - 2 |
| Death Claim | Five - 8 |
| Deductible Amount Aggregate | Three - 5 |
| Deductible Amount Per Claim/Accident | Three - 5 |
| Deductible Credit | Eight - 4 |
| Deductible Percent | Three - 5 |
| Deductible Reimbursement | Five - 16 |
| Deductible Type | Three - 5 |
| Deductibles | Four - 4 |
| Delinquent Report | A - 1 |
| Disease Experience | Eight - 3 |
| Disease Experience – Coal Mining | Eight – 5 |

- E -

| | |
|--|-----------|
| Employer’s Attorney Fees | Five - 16 |
| Employers Liability Increased Limits | Eight - 3 |
| Employers Liability Loss Adjustment Expenses | Five - 5 |
| Estimated Exposure Indicator | Eight - 2 |
| Excess Policies | Two - 4 |
| Expense Constant | Four - 5 |
| Expenses | |
| Excluded from Losses | Five - 4 |
| Included in Losses | Five - 5 |
| Experience Modification | Four - 3 |
| Exposure Amount | Four - 1 |
| Exposure Corrections | Six - 1 |
| Exposure Coverage Code | Four - 1 |
| Exposure Information Codes | Eight - 3 |
| Exposure Record Only Correction – Example | Ten - 6 |
| Exposure State | Three - 2 |
| Exposure State Code | Eight - 1 |
| Exposure Update Type | Eight - 3 |

- T -

| | |
|--|----------------|
| Temporary Total or Temporary Partial Claim | Five - 8 |
| Terrorism | Two - 5 |
| Third Party and Subrogation Cases | Five - 7 |
| Three Year Fixed Rate Indicator | Eight - 2 |
| Three Year Fixed Rate Policies | |
| Option A - Schedule Z Basis | Seven - 1 |
| Option B - Unit Reporting Basis | Seven - 1 |
| Option C - Magnetic Tape Reporting | Seven - 1 |
| Total Modified Premium - Line C | Four - 3 |
| Total Standard Exposure - Line G | Four - 5 |
| Total Standard Premium - Line G | Four - 5 |
| Total Subject Premium - Line A | Four - 3 |
| Transmittal Method | Two - 5 |

- U -

| | |
|--|------------|
| Unallocated Adjustment Expenses | Five - 5 |
| Uncollectible Premiums | Two - 3 |
| Unit Report Resubmission Indicator | Three - 3 |
| Unit Statistical Report - Sample | Eleven - 1 |
| Update Type | |
| Exposure | Four - 1 |
| Losses | Five - 1 |

- V -

| | |
|--|-----------|
| Validity of the Unit Report | Two - 1 |
| Valuation and Filing Dates Table | Two - 3 |
| Valuation Date | Two - 2 |
| Vocational Rehabilitation Evaluation/Testing Expense | Five - 5 |
| Vocational Rehabilitation Indicator | Five - 15 |

- W -

| | |
|---------------------------------------|-----------|
| Workplace Safety Credit Program | Eight - 5 |
| Waiver of Subrogation | Four - 3 |