

## NORTH CAROLINA RATE BUREAU

2910 SUMNER BOULEVARD  
RALEIGH, NC 27616  
Email Address: [support@ncrb.org](mailto:support@ncrb.org)

*Phone:* (919) 582-1056  
*Website:* [www.ncrb.org](http://www.ncrb.org)

The ACORD 135 NC is available on our website [www.ncrb.org](http://www.ncrb.org), go to Access Online Tools and click on the "ManageAR" link. If an NCRB Web User Account is needed, the registration form is on our website as well.

The numbers of this instruction sheet correspond to the numbered sections of the application on our website. If more space is needed, additional documentation can be uploaded.

**GENERAL**

- Failure to fully answer all questions, upload supplemental applications, remit amount of estimated annual or deposit premium and/or include required signatures may result in a delay of coverage and/or your application being declined.
- North Carolina General Statute 58-36-1(5) and the approved North Carolina Workers Compensation Insurance Plan will govern the processing of the application.

**ELECTRONIC APPLICATIONS (ManageAR)**

- Submit the application via ManageAR web application to the NC Rate Bureau. A copy of the ACORD 135 NC can be printed or saved from the web application for your records. All supplemental applications, ERM-14 form (if applicable), and additional documentation must be uploaded via ManageAR to the NC Rate Bureau.

**MAILED APPLICATIONS (PAPER COPY)**

- The ACORD 135 NC must be submitted electronically, unless otherwise approved by the NC Rate Bureau.

**SECTION 1. APPLICANT NAME**

- Show the complete legal name of the employer(s). If the applicant is a proprietorship or a partnership the full name(s) of the proprietor or general partners must be included. Include the business telephone and fax numbers, including area code, and the applicant's Federal Employers Identification Number.
- The insured named first on the Policy Information Page is given certain rights and responsibilities by the language of the policy contract. If more than one applicant employer is listed on the application, the one intended to receive these rights and responsibilities should be named first.

**SECTION 2. MAILING ADDRESS**

- Show the applicant's complete and exact mailing address, to include city, state and Zip code.

**SECTION 3. LEGAL STATUS**

- Select the proper box to designate the legal status of the primary applicant. If you check "other", please identify the applicable legal status.
- Indicate the number of years the applicant has been in business in North Carolina.

**SECTION 4. REQUESTED EFFECTIVE DATE**

- NC GS 58-36-1(5) states that coverage will be bound as follows:

To secure a requested effective date, the employer or its representative must submit to the Plan Administrator a fully completed and signed application, using an approved application submission method.

Depending on the application submission method, the earliest effective date for coverage will be established in the following manner:

**Application Submission Table 1**

<b>If the application is submitted by regular mail and the envelope containing the application has . . .</b>	<b>Then the earliest effective date will be 12:01 a.m. on the day after . . .</b>
A legible U. S. postmark or certified mail receipt	Postmark
An illegible U. S. postmark	Receipt of the application by the Plan Administrator
A private postage meter mark only	Receipt of the application by the Plan Administrator
Internet postage with a legible cancellation stamp	The date on the cancellation stamp
Internet postage without a cancellation stamp or an illegible cancellation stamp	Receipt of the application by the Plan Administrator

**Application Submission Table 2**

<b>If the application is submitted by overnight mail and . . .</b>	<b>Then the earliest effective date will be 12:01 a.m. on the day after . . .</b>
The package containing the application has proof of mailing that can be verified	The application was sent to the Plan Administrator
The package containing the application does not have proof of mailing or proof of mailing cannot be verified	Receipt of the application by the Plan Administrator
Proof of mailing (i.e., certified mail receipt) can be obtained	Postmark
Proof of mailing cannot be obtained	Receipt of the application by the Plan Administrator

**Application Submission Table 3**

<b>If the application is hand-delivered to the Plan Administrator . . .</b>	<b>Then the earliest effective date will be 12:01 a.m. on the day after receipt by the Plan Administrator</b>
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**Application Submission Table 4**

<b>If the application (including any necessary supplemental applications) is submitted through the Bureau's ManageAR system . . .</b>	<b>Then the earliest effective date will be 12:01 a.m. on the day after submission to the Plan Administrator.</b>
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**IF AN APPLICATION EMPLOYS A COMBINATION OF ANY OF THE ABOVE DESCRIBED METHODS OF SUBMISSION, THE BUREAU SHALL APPLY THE ABOVE DESCRIBED RULES USED TO DETERMINE THE EARLIEST EFFECTIVE DATE BASED ON THE METHODS OF SUBMISSION EMPLOYED AND THE EARLIEST EFFECTIVE DATE OF COVERAGE SHALL BE THE LATEST EFFECTIVE DATE OF SUCH METHODS EMPLOYED BY THE APPLICANT.**

**SECTION 5. NATURE OF BUSINESS/DESCRIPTION OF OPERATIONS**

- Completely describe the business or operations of the applicant. This information is needed to establish proper classification code assignments. Do not simply include the wording for a classification code.
- If the applicant is a service organization, describe the nature and details of the operation.
- If the applicant is a merchant, describe the products sold and any operations that involve the preparation of merchandise for sale and indicate if sales are retail or wholesale (if both, give percentage of each).
- If the applicant is a manufacturer, list the raw materials, processes and products manufactured.
- If the applicant is a contractor, describe the type of construction, erection or repair work performed and the type of equipment used. Describe the nature of any sub-contract arrangements.

**SECTION 6. ADDITIONAL BUSINESS NAMES & LOCATIONS OF ALL NORTH CAROLINA WORK PLACES**

- Enter the physical address of all permanent North Carolina locations from which the applicant operates. A post office box is not acceptable here.
- If a PO Box is used as the mailing address in Section 2, a physical North Carolina address must be entered in this Section.
- Enter the company name and physical address of the location where payroll records are maintained. A post office box is not acceptable here, unless it is the Payroll Office address. Include the name and telephone number of the person to contact regarding the applicant's payroll records.

**SECTION 7. GENERAL INFORMATION**

- Answer all questions by selecting yes or no.
- Provide any additional details or clarification as required.
- Complete the ERM-14 and/or other supplemental form(s) as needed for Professional Employer Organizations and/or trucking operations.

#### **SECTION 8. INSURANCE RECORD**

- Provide the previous record of workers compensation insurance coverage for the applicant for the three (3) previous years.

#### **SECTION 9. CORPORATE OFFICERS, SOLE PROPRIETORS, PARTNERS OR MEMBERS OF A LLC**

- List the name, date of birth, title, percentage of ownership, duties, class code and approximate annual salary of each executive officer, the sole proprietor, each general partner or each member of a limited liability company and indicate whether coverage for each individual is elected or rejected. The annual salary is required regardless of election or rejection of coverage.
- Executive officers of a corporation are automatically covered under North Carolina law; however, any executive officer may be specifically excluded from coverage by endorsing the insurance policy to exclude such executive officer. The payroll, subject to the individual minimum and maximum limitations as shown on the state rate pages, for all covered executive officers must be included in the "total payroll" in Section 10 and used to calculate estimated annual premium.
- Sole proprietors, partners and members of a limited liability company are not automatically covered under North Carolina law; however, the sole proprietor, any partner or any member of a limited liability company may elect to be included as an employee, if actively engaged in the operation of the business and the insurer is notified of the election to be included. The fixed payroll amount, as shown on the state rate pages, for covered sole proprietors, partners or members of a limited liability company must be included in the "total payroll" in Section 10 and used to calculate estimated annual premium.

#### **SECTION 10. CALCULATION OF NC ESTIMATED ANNUAL/DEPOSIT PREMIUM**

- List separately employee/department duties or classification phraseology, class code, number of employees, an accurate estimate of the annual payroll, the rate and calculated premium.
- If United States Longshore and Harbor Workers (USL&H), increased limits of Employer Liability and/or other coverages are requested, indicate these in the appropriate space(s).
- Any premium of \$250,000 or more is subject to the mandatory Loss Sensitive Rating Plan (LSRP) and additional premium may be required.
- For an estimated annual premium in excess of \$5,000, a percentage of the annual premium may be calculated as the deposit premium.

#### **SECTION 11. PREMIUM PAYMENT**

- The payment method currently approved for the required estimated annual or deposit premium on application submissions is the electronic payment method prescribed by the NC Rate Bureau. Payment other than through the prescribed electronic method would require Plan Administrator approval.
- Upon completion of application, an assigned carrier will be designated and coverage will be bound contingent upon payment of estimated annual or deposit premium.
- If the premium is financed, include a copy of the signed premium finance agreement and provide the name of the premium finance company in the space provided.

#### **SECTION 12. REMARKS**

- Document any additional information you feel will assist in the processing of the application or to explain any issues or concerns.

#### **SECTION 13. APPLICANT'S STATEMENT**

- The application is incomplete unless it has been signed by an individual (i) certifying the accuracy of the information that was given to the agent and used to complete the application and (ii) agreeing to comply with basic provisions of the North Carolina Workers Compensation Insurance Plan. The individual signing the application must be the sole proprietor if the applicant is a proprietorship, a partner if the applicant is a partnership, a member if the applicant is a limited liability company or an executive officer if the applicant is a corporation.
- Additional information may be requested before an assignment of coverage can be made. Any additional information requested should be promptly submitted.
- Any requested information required by the North Carolina Rate Bureau must be provided within the specified time frame in order to prevent the return of the application with no coverage assigned.

#### **SECTION 14. STATEMENT OF LICENSED AGENT OR PRODUCER OF RECORD**

- North Carolina law [GS 58-36-1(5)] requires that the applicant employer be "certified to be 'difficult to place' by any fire and casualty insurance agent who is licensed in this State".
- The application is incomplete unless it has been signed by the agent.
- The application may be signed by an out-of-state agent to whom the North Carolina Department of Insurance has issued a non-resident fire and casualty agent license. A non-resident agent cannot qualify as a producer of record. A copy of the agent's non-resident license must be submitted with the application for verification purposes.
- Select the box to indicate if the agent is a producer of record (a licensed North Carolina resident broker).
- The agent must certify (by checking box) that Section 13 has been explained to the applicant.
- The agent must acknowledge (by checking box) that the agent's signature is original, that the applicant's responsibilities as they pertain to coverage in the North Carolina Workers Compensation Insurance Plan have been reviewed with the applicant. In addition, the agent agrees to retain a copy of the completed application, with the applicant's signature for a period of not less than five (5) years.
- Include the name of agent, complete agency name, mailing address, telephone and fax numbers, e-mail address and either the Federal Employer Identification Number for the agency or the Social Security Number for the agent.