B U L L E T I N

September 1, 2016

Contact: Ms. Deborah Rojan
Manager, Underwriting Services
Ext. 169, drojan@nycirb.org

R.C. 2420

To the Members of the Rating Board:

RE: Elimination of Anniversary Rating Date
Effective Date: May 1, 2017

In accordance with the authorization of the Underwriting Committee of the New York Compensation Insurance Rating Board, and approval by the New York State Department of Financial Services, amendments to the New York Workers Compensation and Employers Liability Manual, Experience Rating Plan Manual, Retrospective Rating Plan Manual, and Statistical Plan Manual were made to eliminate the use of Anniversary Rating Date (ARD).

These amendments are applicable to new and renewal policies effective on and after May 1, 2017.

Specifically, (a) endorsement WC 00 04 02 “Anniversary Rating Date Endorsement” is eliminated, and (b) endorsements WC 00 00 01 D “Information Page Notes” and WC 31 04 04 “New York Pending Payroll Limitation and Premium Differential Endorsement” are amended.
Enclosed herewith are modified and final copies of pages from the following manuals:

**NY Workers Compensation and Employers Liability Manual**
R-1; R-2; R-14; R-15; R-46; R-69; R-70; D-10; Alphabetical and Numerical Indexes; WC 00 00 01D “Information Page Notes; WC 31 04 04 “New York Pending Payroll Limitation and Premium Differential Endorsement.” Pages R-2a; R-2b; R-2c; and endorsement WC 00 04 02 “Anniversary Rating Date Endorsement” are eliminated.

**NY Experience Rating Plan Manual**
R-1; R-6; R-15; and R-23.

**NY Retrospective Rating Plan Manual**
R-6.

**NY Workers Compensation Statistical Plan**
R-3; R-11; and R-13.


Very truly yours,

Jeremy Attie
President and CEO

Enclosures
PART ONE—RULES

RULE I - GENERAL

A. WORKERS COMPENSATION

Workers Compensation as used in this manual means workmen's compensation, workers compensation or occupational disease.

B. STANDARD POLICY

Standard Policy means the standard provisions Workers Compensation and Employers Liability Insurance Policy and the Information Page approved by the New York State Department of Financial Services. Every policy affording coverage under the New York Workers' Compensation Law must have the following endorsements attached:

- WC 31 03 08 - New York Limit of Liability Endorsement;
- WC 31 03 19 H - New York Construction Classification Premium Adjustment Program Explanatory Endorsement;
- WC 31 06 18 - New York Policyholder Notice of Right to Appeal
- WC 00 04 14 - Notification of Change in Ownership
- WC 00 04 19 - Premium Due Date Endorsement;
- WC 00 04 21 D - Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement
- WC 00 04 22 B - Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement

Exception: The Standard Policy (WC 00 00 00C) shall not be used to provide coverage for employees subject to the New York Volunteer Firefighters' Benefit Law or the New York Volunteer Ambulance Workers' Benefit Law. Such coverage can be afforded only by means of a Volunteer Firefighters' Benefit Law Policy (WC 31 00 00A) or a Volunteer Ambulance Workers' Benefit Law Policy (WC 31 00 02A), respectively.

C. ENDORSEMENT FORMS

Endorsement forms means authorized endorsements listed in the Alphabetical List of Endorsements in Part Four of this manual. All endorsements must be used in the form prescribed in this manual.

D. POLICY AND ENDORSEMENT FORMS

Refer to the Policy Forms and Authorized Endorsement section of this manual for a complete description of coverages and instructions on use of policy and endorsement forms.

E. APPLICATION OF MANUAL RULES

Rules apply separately to each policy, except as allowed by Rule VII - Premium Discount.

F. EFFECTIVE DATE

1. Manual

★ This manual applies only from the anniversary rating policy effective date which occurs on or after the effective date of this manual.
2. Changes

The effective date of a change in any rule, classification, or loss cost is 12:01 a.m. on the date specified on the manual page. Any change will be issued on a reprinted page and will be designated by a *. Unless specified otherwise, each change applies only from the anniversary rating-policy effective date which occurs on or after the effective date of the change.

Q. ANNIVERSARY RATING DATE

The anniversary rating date is the month and day of the policy in effect and each anniversary thereafter unless a different anniversary date has been established by the New York Compensation Insurance Rating Board or other licensed rating organization.

Rules, classifications and rates are applied on an Anniversary Rating Date basis for all risks.

Use the Standard Anniversary Rating Date Endorsement (WC 00 04 02) when necessary. The endorsement is used to show the normal anniversary rating date if different from the policy effective date.

To determine the proper application refer to the tables on the following pages:
### Rule 1: Anniversary Rating Date

#### Table 1

<table>
<thead>
<tr>
<th>For a single policy risk whose...</th>
<th>The insurance carrier must apply...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policies have run consecutively, or, The risk is a new entity...</td>
<td>The rates effective on the normal ARD for the full term of:</td>
</tr>
<tr>
<td></td>
<td>• The policy beginning on that date, or</td>
</tr>
<tr>
<td></td>
<td>• Any other policy beginning up to three months after that date</td>
</tr>
<tr>
<td></td>
<td>• No more than 15 months</td>
</tr>
</tbody>
</table>

**Example:** for single policy risk whose policies have run consecutively or the risk is a new entity with a normal ARD of 01/01/07?

01/01/07 – 01/01/08
01/01/08 – 01/01/09

The rates that are in effect on 01/01/07 will apply to the 01/01/07 policy up to 01/01/08.

---

<table>
<thead>
<tr>
<th>Policy has been cancelled and rewritten, either by the same or another carrier within three months after the normal ARD...</th>
<th>To the rewritten policy, all rules, classifications and rates of the rewriting carrier that were in effect as of the normal ARD:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Until the next ARD has been reached, or</td>
</tr>
<tr>
<td></td>
<td>• Until the next ARD is established by the NYCIRB</td>
</tr>
<tr>
<td></td>
<td>• No more than 15 months</td>
</tr>
</tbody>
</table>

**Example:** for a policy that has been cancelled and rewritten, either by the same or another carrier within three months after the normal ARD which is 01/01/07?

01/01/06 – 01/01/07
01/01/07 – 03/01/07
03/01/07 – 03/01/08
03/01/08 – 03/01/09

The rates that are in effect on 01/01/07 will apply to the policies effective 01/01/07 and 03/01/07. The new ARD will be 03/01/08.

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<table>
<thead>
<tr>
<th>Policy has been cancelled and rewritten, either by the same or another carrier more than three months after the normal ARD...</th>
<th>• The rates in effect as of the normal ARD to the new policy until the next normal ARD.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• The rates in effect as of the next normal ARD to the new policy until the expiration date of the policy.</td>
</tr>
<tr>
<td></td>
<td>• The rates in effect as of the new ARD annually thereafter as the new normal ARD.</td>
</tr>
<tr>
<td></td>
<td>This will be the date that is 12 months after the effective date of the new policy.</td>
</tr>
</tbody>
</table>

**Example:** for a policy that has been cancelled and rewritten, either by the same or another carrier more than three months after the normal ARD, 01/01/07?

01/01/06 – 01/01/07
01/01/07 – 06/01/07
06/01/07 – 06/01/08
06/01/08 – 06/01/09

The rates that are in effect on 01/01 will apply to the 01/01/07 policy. The rates that are in effect on 01/01/07 will apply to the 06/01/07 policy until 01/01/08. The rates that are in effect on 01/01/08 will apply from 01/01/08 to 06/01/08. The new ARD is 06/01/08.
Anniversary Rating Date — Table 2

<table>
<thead>
<tr>
<th>For a multiple policy risk with varying effective dates</th>
<th>The insurance carrier must apply...</th>
</tr>
</thead>
<tbody>
<tr>
<td>That is not a long-term policy or Three Year Fixed-Rate Policy</td>
<td>The rates in effect on the normal ARD until the next normal ARD:</td>
</tr>
<tr>
<td></td>
<td>• These rates apply to the portion of each policy falling within the 12-month period, regardless of their effective and termination dates.</td>
</tr>
<tr>
<td></td>
<td>• The renewal rates must be applied in the same manner.</td>
</tr>
<tr>
<td></td>
<td>• The ARD is determined by the policy with the largest premium, unless otherwise established by the rating organization.</td>
</tr>
<tr>
<td>Example: for a multiple policy risk with varying effective dates that are not long-term or Three Year Fixed-Rate policies where the normal ARD is 06/01.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Policy A</td>
</tr>
<tr>
<td>01/01/07—01/01/08</td>
<td>06/01/07—06/01/08</td>
</tr>
<tr>
<td>01/01/08—01/01/09</td>
<td>06/01/08—06/01/09</td>
</tr>
<tr>
<td>The rates that are in effect on 06/01/06 will apply to the 01/01/07 Policy A from 01/01/07 up to 06/01/07 and from 06/01/07 to 01/01/08.</td>
<td></td>
</tr>
<tr>
<td>The rates that are in effect on 06/01/07 will apply to Policy B.</td>
<td></td>
</tr>
<tr>
<td>Policy B, the 04/01/07 policy will use the rates that are in effect on 06/01/07 from 04/01/07 up to 06/01/07 and from 06/01/07 up to 04/01/08. The 04/01/08 policy will use the rates in effect on 06/01/07 from 04/01/08 up to 06/01/08 and from 06/01/08 to 04/01/09.</td>
<td></td>
</tr>
<tr>
<td>That has been cancelled and rewritten, either by the same or another carrier.</td>
<td></td>
</tr>
<tr>
<td>Example: for a multiple policy risk with varying effective dates that has been cancelled and rewritten either by the same or another carrier where the normal ARD is 01/01, and the new ARD is 06/01/08.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Policy A</td>
</tr>
<tr>
<td>01/01/06—01/01/07</td>
<td>01/01/06—01/01/07</td>
</tr>
<tr>
<td>01/01/07—03/01/07</td>
<td>01/01/07—06/01/07</td>
</tr>
<tr>
<td>03/01/07—03/01/08</td>
<td>06/01/07—06/01/08</td>
</tr>
<tr>
<td>03/01/08—03/01/09</td>
<td>06/01/08—06/01/09</td>
</tr>
<tr>
<td>The rates in effect on 01/01/07 will apply to Policy A policies effective 01/01/07 and 03/01/07. The rates in effect on 01/01/08 will apply to the 03/01/08 policy from 03/01/08 up to 06/01/08, and from 06/01/08 to 03/01/09.</td>
<td></td>
</tr>
<tr>
<td>The rates in effect on 01/01/07 will apply to Policy B policy effective 01/01/07 from 01/01/07 to 06/01/07. The 01/01/07 rate will also apply to the policy effective 06/01/07 from 06/01/07 up to 01/01/08 and from 01/01/08 up to 06/01/08.</td>
<td></td>
</tr>
</tbody>
</table>
For other situations such as... | The insurance carrier must apply...
---|---
A long-term policy (issued for a period longer than one year and 16 days, other than a Three-Year Fixed-Rate Policy) | All rules, classifications and rates to individual units as if a separate policy had been issued.
  - Divide the policy into consecutive units of 12 months each.
  - This division will designate either the first or last unit of less than 12 months as a short-term policy.
A Three-Year Fixed-Rate Policy | The rates in force on the effective date of the policy until its termination.

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Long-Term Policies

★ For application of anniversary rating dates on policies issued for a term in excess of one year, refer to Rule III.C.3.
B. NAME, ADDRESS AND OTHER WORKPLACES OF INSURED—ITEM 1

1. Combination of Legal Entities

Separate legal entities may be insured in one policy only if the same person, or group of persons, owns the majority interest in such entities.

2. Single Location

All operations of any one employer at a single location shall be insured in one policy.

3. Multiple Locations

All New York locations and operations of an employer are automatically covered by the policy.

If a policy is issued to limit coverage only to operations conducted at or from specified location(s), the Designated Workplaces Exclusion Endorsement (WC 00 03 02) must be attached.

When coverage for a location is to be excluded subsequent to the effective date of the policy, the New York Designated Workplace Cancelation Endorsement and Notice of Partial Cancelation (WC 31 03 02) must be attached to the policy. All statutory provisions for cancellation of coverage must be followed when such partial cancellations are made.

C. POLICY PERIOD—ITEM 2

1. Normal Policy Period

The normal policy period is one year. A policy may be issued for any period not longer than three years. Refer to Section I.H.12 of the Digest of Rulings and Interpretations.

2. Policy for One Year

a. The manual rules are based on a policy period of one year.

b. A policy issued for a period not longer than one year and 16 days is treated as a one year policy.

3. Policy Longer Than One Year

A policy issued for a period longer than one year and 16 days, other than a three-year fixed rate policy, is treated as follows:

a. The policy period is divided into consecutive 12 month units.

b. If the policy period is not a multiple of 12 months, use the Policy Period Endorsement (WC 00 04 05) to specify the first or last unit of less than 12 months as a short-term policy.

c. All manual rules and procedures apply to each such unit as if a separate policy had been issued for each unit, including submitting an annual endorsement providing carrier approved rates, payrolls and other premium charges. That may change on each anniversary rating date.
4. Three-Year Fixed Rate Policy Option

A policy may be issued for a period of 3 years using carrier approved rates. Such a policy shall not be issued if the risk is subject to the Experience Rating Plan on the effective date of the policy.

A policy issued under this option shall be known as a Three-Year Fixed Rate Policy and shall be so designated on the Information Page. Refer to Rule XI.

D. STATE LAWS DESIGNATED IN THE POLICY–ITEM 3.A.

1. Listing of States

Insurance for operations conducted in a state is provided by listing the state in Item 3.A. of the Information Page.

2. Longshore Act

The U.S. Longshore and Harbor Workers’ Compensation Act shall not be entered in Item 3.A. of the Information Page. Refer to Rule XII.

3. Additional States

A state may be added after the effective date of the policy. For the additional state operations, apply:

a. Authorized rates in effect on the anniversary rating effective date of the policy to which the state has been added;

b. Any approved rate change which applies to outstanding policies for the state being added; and

c. Any applicable experience rating modification for the policy to which the state has been added. Refer to the New York Experience Rating Plan Manual.
RULE VII—PREMIUM DISCOUNT
Item 4 of the Information Page—continued

A. EXPLANATION

Premium discount recognizes that the relative expense of issuing and servicing larger premium policies is less than for smaller premium policies. Premium discount is a per policy charge and is calculated based upon the carrier’s expense provision as of the effective date of the policy and policy standard premium, regardless of any change in anniversary rating date or a mid-term change in the carrier’s expense provision.

B. DEFINITIONS

1. Standard Premium

Standard premium is the premium before the premium discount. For the purposes of this rule, the premium is determined on the basis of authorized carrier rates, any experience rating or merit rating modification, credits under the New York Construction Classification Premium Adjustment Program, surcharges and credits under the Workplace Safety Programs and other programs as shown in Appendix C, non-ratable elements as defined in Rule VI.A.4, premium for increased limits of liability and carrier minimum premiums. The carrier expense constant, the New York State Assessment, the Workers’ Compensation Security Fund Surcharge and the additional charges for the catastrophe provisions as shown in Rule IX.N shall be excluded from determination of the standard premium.

2. Total Standard Premium

Total standard premium means the total premium for all states covered by the policy.

3. Insured

Insured means a single entity or two or more legal entities eligible for combination under the New York Experience Rating Plan Manual.

C. RETROSPECTIVE RATING

Any standard premium under a retrospective rating plan is not subject to premium discount.

D. DETERMINATION OF PREMIUM DISCOUNT

If a policy develops total standard premium in excess of $5,000, the standard premium is subject to premium discount as follows:

1. Without Retrospective Rating

   a. Single State Policy

      If a policy provides coverage only in New York, the carrier shall apply a premium discount as approved by the Department of Financial Services.
L. NEW YORK STATE ASSESSMENT

1. Explanation

The New York State Assessment is a separate identifiable charge to policyholders for the funding of the various expenses described in Section 151 of the Workers’ Compensation Law.

2. General Information

The New York State Assessment amount must be displayed as a separate identifiable charge on the policy information page. Statistical Code 0932 must be used in conjunction with this charge for policy submission use only.

The New York State Assessment amount is subject to change at audit.

For policies with effective dates prior to January 1, 2014, the New York State Assessment amount is charged in conjunction with the effective date of the rates used on each policy. Therefore, where the Anniversary Rating Date Endorsement (WC 00 04 02) applies and the ARD is prior to January 1, 2014, e.g., when two sets of rates are used and both are effective prior to January 1, 2014, two assessment percentages will apply.

For policies with effective dates on or after January 1, 2014, and policies effective prior to January 1, 2014 with an ARD on or after January 1, 2014, the New York State Assessment amount is charged in conjunction with the effective date of the policy. Therefore, a single assessment percentage will apply to each policy, even if the Anniversary Rating Date Endorsement (WC 00 04 02) applies.

For all policies effective on or after March 1, 2011 and prior to January 1, 2014, in accordance with the Fifth Amendment to Regulation No. 119 (11 NYCRR 151-6) standard premium must be used as the basis for calculating the policy charge.

3. Premium Base for Calculating the New York State Assessment

For policies with effective dates prior to January 1, 2014, standard premium is the only premium base to be used in calculating the New York State Assessment policyholder charge.

(i) For purpose of this rule, standard premium is defined as the premium determined on the basis of the insurer’s approved rates, as modified by:
   (a) any experience modification or merit rating factor;
   (b) any applicable territory differential premium;
   (c) the minimum premium;
   (d) any Construction Classification Premium Adjustment Program credits;
   (e) any credit from return to work and/or drug and alcohol prevention programs, including credits under the Workplace Safety Loss Prevention Incentive Program (WSLPIP);
   (f) any surcharge or credit from a workplace safety program, including credits under the Workplace Safety Loss Prevention Incentive Program (WSLPIP);
   (g) any credit from independently-filed insurer specialty programs (for example, alternative dispute resolution, drug-free workplace, managed care or preferred provider organization programs);
   (h) any charge for the waiver of subrogation;
   (i) any charge for foreign voluntary coverage; and
   (j) the additional charge for terrorism, and the charge for natural disasters and catastrophic industrial accidents.

(ii) For purposes of determining standard premium, the insurer’s expense constant, including the expense constant in the minimum premium, the insurer’s premium discount, and premium credits for participation in any deductible program, as well as any premiums providing federal coverage, and coverage under the volunteer firefighter benefit law and volunteer ambulance workers benefit law, shall be excluded from the premium base.

(iii) The insurer shall also use the definition of standard premium set forth in Regulation 119, cited above, to report standard premium to the New York State Workers’ Compensation Board.

For policies effective on or after January 1, 2014, refer to the Workers’ Compensation Board at www.wcb.ny.gov for procedures to determine the NY State Assessment.
4. **Assessment Charge**

The assessment percentages to be applied to each policy can be found in Part Three–Loss Costs, Miscellaneous Values in this manual.

*Note:* For policies effective prior to January 1, 2014, New York State Law requires that the assessment amounts collected from policyholders be considered as premium for tax purposes. Assessment charges prior to January 1, 2014 contemplate premium tax, but not commission. For policies effective on or after January 1, 2014, assessment amounts collected from policyholders are no longer considered as premium for tax purposes.

M. **WORKERS COMPENSATION SECURITY FUND SURCHARGE**

1. **Explanation**

The Workers Compensation Security Fund Surcharge is a separate identifiable charge to policyholders for the funding of the Workers Compensation Security Fund which serves as the guaranty fund for fulfilling the obligations of insolvent private carriers writing workers compensation in the state of New York.

Department of Financial Services, as required by statute, determines when this surcharge is necessary.

2. **General Information**

When applicable, the Workers Compensation Security Fund Surcharge amount must be displayed as a separate identifiable charge on the policy information page. Code 9749 must be used in conjunction with this charge.

The Workers Compensation Security Fund Surcharge amount is subject to change at audit and at all subsequent retrospective rating adjustments.

The Workers Compensation Security Fund Surcharge amount is charged in conjunction with the effective date of the rates used on each policy. **Therefore, where the Anniversary–Rating Date Endorsement (WC 00 04 02) applies, e.g., when two sets of rates are used, two surcharge percentages will apply.**

3. **Premium Base for Calculating the Security Fund Surcharge**

Total policy premium is the premium base to which the surcharge percentages shown in Part Three–Loss Costs, Miscellaneous Values section of this manual, applies.
6. Rule VI.J. Premium Determination for Federal and Maritime Insurance
7. Rule VI.K. Executive Officers – Premium Determination
8. Rule IX.A.6 Loss Prevention Programs
9. Rule IX.B.4 Sole Proprietors and Partners – Premium Determination
10. Rule IX.C.3 Premium for Uninsured Subcontractors
11. Rule IX.I.3 New York Construction Classification Premium Adjustment Program – Credit Determination
12. Rule XII.D.4 Non-Federal "Non-F" Construction Classifications

Frequently asked questions that better explain the intent of the Program and clarify application of the manual rules are shown below. Following the questions and answers are some examples of premium calculations as they pertain to payroll limitation.

FREQUENTLY ASKED QUESTIONS

Q: What is the Construction Employment Payroll Limitation Law?

A: The Payroll Limitation Law was enacted to become effective for policies with anniversary rating dates on or after October 1, 1999. Beginning May 1, 2017, anniversary rating date is replaced by policy effective date. For workers compensation insurance premium determination purposes, the Law applies a maximum payroll limitation for eligible construction classification codes. The Law does not apply, however, to employments engaged in the construction of one or two-family residential housing. Refer to Rule V.G.1.

Q: What is the purpose of the Payroll Limitation Law?

A: The purpose of the Payroll Limitation Law is to provide a more equitable distribution of premium between high wage paying and low wage paying employers in the construction industry.

Q: How does the payroll limitation work?

A: A payroll limitation is applied to the actual weekly payroll per employee in each of the eligible construction classification codes. Actual payroll, and not the limited payroll, is used for employments engaged in the construction of one or two-family residential housing. Refer to Rule V.G.1-4.

Q: Who is eligible for payroll limitation?

A: Employers with payroll in the classifications shown in Rule V.G.1 of the Manual.

Q: Are any construction employments excluded from the Payroll Limitation Law?

A: Yes, any employments engaged in the construction of one or two-family residential housing.

Example: The payroll limitation would apply to an employer subject to Code 5183 who performs plumbing work in a commercial or retail building. However, if the same employer performed plumbing work in one or two-family residential housing, then that payroll would not be subject to payroll limitation. Refer to Rule V.G.1.
ALPHABETICAL INDEX OF ENDORSEMENTS

STANDARD AND STATE SPECIAL ENDORSEMENTS APPLICABLE IN NEW YORK

Alternate Employer Endorsement ........................................................................................................ WC 00 03 01 A

Aniversary Rating Date Endorsement ................................................................................................ WC 00 04 02

Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement .................................. WC 00 04 21 D

Defense Base Act Coverage Endorsement .......................................................................................... WC 00 01 01 A

Designated Workplaces Exclusion Endorsement ............................................................................. WC 00 03 02

Employers Liability Coverage Endorsement .................................................................................... WC 00 03 03 C

Experience Rating Modification Factor Endorsement ....................................................................... WC 00 04 03

Federal Employers' Liability Act Coverage Endorsement................................................................. WC 00 01 04 A

Information Page Notes ....................................................................................................................... WC 00 00 01 C

Insurance Company as Insured Endorsement .................................................................................. WC 00 03 04

Joint Venture as Insured Endorsement ............................................................................................... WC 00 03 05

Longshore and Harbor Workers' Compensation Act Coverage Endorsement ................................. WC 00 01 06 A

Maritime Coverage Endorsement ....................................................................................................... WC 00 02 01 B

New York Ambulance and Fire District Liability Exclusion
Endorsement for County or Town Policies ......................................................................................... WC 31 06 12

New York Ambulance District Liability Exclusion Endorsement for County or Town Policies for County or Town Policies ......................................................................................... WC 31 06 09

New York Benefits Deductible Endorsement .................................................................................... WC 31 03 15 A

New York Construction Classification Premium Adjustment Factor Endorsement ....................... WC 31 04 01

New York Construction Classification Premium Adjustment Program Explanatory Endorsement ................................................................................................................................. WC 31 03 19 H

New York Coverage for Elected or Appointed Officers of Municipal Corporations
or Other Political Subdivisions Endorsement ....................................................................................... WC 31 03 01

New York Designated Workplace Cancelation Endorsement and Notice
of Partial Cancelation .......................................................................................................................... WC 31 03 02

New York Domestic Workers Restricted Endorsement ...................................................................... WC 31 06 01

New York Excess Medical Coverage Endorsement ......................................................................... WC 31 03 03

New York Exclusion For Designated Officers and Employees of Ambulance Districts Endorsement ................................................................................................................................. WC 31 06 11

New York Exclusion For Designated Officers and Employees of Fire Districts Endorsement ............................................................ WC 31 06 02

New York Exclusion of Executive Officer Endorsement .................................................................. WC 31 03 05 B

New York Executive Officers Exclusion Endorsement ..................................................................... WC 31 03 04

New York Executive Officers Hold Harmless Endorsement ................................................................ WC 31 06 03

New York Fire District Liability Exclusion Endorsement for County or Town Policies .................. WC 31 06 04

New York Foreign Voluntary Compensation and Employers Liability Coverage Endorsement .... WC 31 06 17 A

New York Inclusion of Auxiliary Police Endorsement ..................................................................... WC 31 03 14 A
New York Inclusion of Executive Officer Endorsement ................................................................. WC 31 03 06 A
New York Labor Contractor Endorsement ......................................................................................... WC 31 03 17
New York Labor Contractor Exclusion Endorsement ...................................................................... WC 31 03 18
New York Liability of Municipalities to Police Officers or Paid Firefighters–Exclusion
   Endorsement .............................................................................................................................. WC 31 03 07
New York Limit of Liability Endorsement ........................................................................................ WC 31 03 08

New York Medical Benefits Reimbursement Endorsement .............................................................. WC 31 03 10
New York Merit Rating Endorsement .............................................................................................. WC 31 04 02
New York Non-Subject Employees Exclusion Endorsement ......................................................... WC 31 03 11
New York Non-Subject Executive Officers Coverage Endorsement ................................................ WC 31 03 12
New York Optional Client Exclusion Endorsement ........................................................................... WC 31 03 22
New York Optional Labor Contractor Exclusion Endorsement ...................................................... WC 31 03 21
New York Optional Labor Contractor Endorsement .......................................................................... WC 31 03 20

New York Pending Payroll Limitation and Premium Differential Endorsement ............................ WC 31 04 04 A
New York Preferred Provider Organization Premium Endorsement ............................................... WC 31 04 03 A
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New York Sole Proprietors, Partners and Members of LLC’s PSLC’s and RLLP’s
   Coverage Endorsement ............................................................................................................ WC 31 03 13 B
New York Sole Proprietors, Partners and Members of LLC’s PSLC’s RLLP’s, Etc.
   Exclusion Endorsement ............................................................................................................ WC 31 03 16 A
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   of Employers Liability Insurance Endorsement ............................................................................. WC 31 06 13
New York Volunteer Ambulance Workers’ Benefit Law Group Insurance
   Endorsement .............................................................................................................................. WC 31 06 10
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   Insurance Endorsement ............................................................................................................. WC 31 06 07
New York Volunteer Firefighters’ Benefit Law Group Insurance Endorsement ......................... WC 31 06 05
New York Volunteer Firefighters’ Premium Discount Endorsement ............................................. WC 31 06 06
Nonappropriated Fund Instrumentalities Act Coverage Endorsement ........................................ WC 00 01 08 A

Notification of Change in Ownership Endorsement ........................................................................ WC 00 04 14

Outer Continental Shelf Lands Act Coverage Endorsement .......................................................... WC 00 01 09 C

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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 11.) 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 of the insurer is to be shown prominently on the Information Page in the space above Item 1. Multi-company groups must make appropriate reference to the name of the member of the group providing the insurance.

   The address and kind 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 should be unique to the company and remain constant during the policy period. It should be used on all endorsements issued after the policy is issued.

   The policy number appearing on the Information Page should be the same as the policy number contained in the carrier's internal statistical records.

   The five-digit NCCI carrier code number and the NCCI Interstate Risk Identification Number must be shown and appropriately labeled on the Information Page.

4. Use appropriate text on the Board copy of a renewal policy Information Page to designate the prior policy by number.

   New business may be designated “New.” At its option, the company may show this on the insured's copy of the Information Page.

   The policy number of a rewritten or replaced policy must also be on the Information Page.

5. List 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.

   Also include the respective federal employer's identification number (FEIN), appropriately labeled, for each entity included on the policy.

   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.

6. List in Item 1 or by schedule all usual workplaces of the insured that are to be covered by the policy.

7. 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.

8. List in Item 3.A. states where state workers compensation insurance is provided. If none is provided, “none” or “not covered” may be shown.

9. Show limits of liability separately for bodily injury by accident and by disease in Item 3.B.

10. 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.
11. Item 3.D. may be omitted so long as the list of the policy’s schedules and endorsements appears somewhere on the Information Page.

12. 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.

13. In Item 4, the development of estimated annual premium shall 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.

14. The experience rating modification factor shall 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. See the Experience Rating Modification Factor Endorsement for more information.

15. Premium discount must be shown in Item 4, the Premium Discount Endorsement, or both.

16. All charges or credits affecting the total estimated premium must be shown in Item 4. The deposit premium and the interim adjustment period must also appear on the Information Page.

   The date and place of policy issuance, date and place of countersignature and other related information may also be shown on the Information Page.

17. Three-Year Fixed Rate Policies must be so designated on the Information Page as required by Rule XI of the Basic Manual.

18. Other entries may be made on the Information Page as authorized by Notes to Endorsements, including: Anniversary Rating Date; Defense Base Act Coverage; Voluntary Compensation Maritime Coverage Endorsements and the endorsements that apply to the inclusion and exclusion of executive officers and sole proprietors and partners.

19. The company may use its own method of execution and place the execution clause at the end of the Information Page, at the end of the standard policy, or on a policy jacket.

20. Provide and reference the Employer’s Appeal Process (explained in Item M of the Administrative Rules and Procedures Section of the New York WC & EL Manual) for classification, ownership, premium auditing, or any other ruling or decision pertaining to this policy. This is satisfied through the attachment of mandatory Endorsement WC 31 06 18, New York Policyholder Notice of Right to Appeal.
NEW YORK PENDING PAYROLL LIMITATION AND PREMIUM DIFFERENTIAL ENDORSEMENT

The Construction Employment Payroll Limitation Law (S7744/A11294) requires a payroll limitation and territory premium differential on policies for all employers subject to the Law, with an anniversary rating date on or after October 1, 1999. The code(s) currently on your policy may be subject to the Law.

The requirements of the Law may be applied during the policy period or may be applied at time of audit.

Note: Use this endorsement if the proper payroll limitation and territory premium differential cannot be applied at time of policy issuance.
ANNIVERSARY RATING DATE ENDORSEMENT

The premium and rates for this policy, and the experience rating modification factor, if any, may change on your anniversary rating date shown in the Schedule.

Schedule

Anniversary Rating Date _______________ (Month) ____________ (Day)

Notes:

1. The anniversary rating date is explained in Rule I of the Basic Manual.
2. Use this endorsement to show the insured's normal anniversary rating date if different from the policy effective date.
3. The insurer may show the anniversary rating date in Item 2 or Item 4 of the Information Page.
RULE 1 – GENERAL EXPLANATIONS

A. EXPERIENCE RATING

Experience rating recognizes the differences among individual insureds with respect to safety and loss prevention. It does this by comparing the experience of individual insureds with the average insured in the same classification. The differences are reflected by an experience rating modification, based on individual insured payroll and loss records, which may result in an increase, decrease, or no change in premium.

B. MANDATORY PLAN

1. The New York Experience Rating Plan for Workers Compensation and Employers Liability Insurance (Plan) applies on a mandatory basis for risks that meet the premium eligibility requirements in Rule 2-A. A policy cannot be cancelled, rewritten or extended for purposes of enabling a risk to qualify for, or avoid application of, this Plan.

2. Any action taken in any form to evade the application of an experience rating modification determined in accordance with this Plan is prohibited.

3. The effective date of a change in any rule or rating value is 12:01 a.m. on the date approved for use. Unless otherwise specified, each change applies only from the first anniversary rating date that occurs on or after the effective date of the change. Refer to Rule 2-B for more information about anniversary dates and rating effective dates.

4. The Standard Workers Compensation and Employers Liability Insurance Policy (WC 00 00 00 A) provides the Rating Board with the authority to examine and audit all records that relate to the policy. The application of this Plan’s rules may be affected by the inclusion of endorsements found in the New York Workers Compensation and Employers Liability Insurance Manual.

5. The rules of this Plan are based on policy periods not longer than one year.
   a. A policy issued for a period not longer than one year and 16 days is treated as a one-year policy.
   b. A policy issued for a period longer than one year and 16 days is treated as follows:
      - The policy period is divided into consecutive 12-month units.
      - The Policy Period Endorsement (WC 00 04 05) specifies the first or last unit of less than 12 months as a short-term policy.
      - All manual rules and procedures apply to each such unit as if a separate policy had been issued for each unit.

C. DEFINITIONS

1. Statistical Plan
   The Statistical Plan refers to the New York Workers Compensation Statistical Plan. The Statistical Plan sets forth detailed data reporting requirements for individual risk experience. Only 1st, 2nd, and 3rd reports, as well as corrections to such reports, are used in the experience rating calculation. Based on a risk’s experience period, an individual unit report may be used in more than one experience rating.
5. Interstate Experience Rating
   a. A risk qualifies for experience rating on an interstate (multi-state) basis when it:
      (1) Meets the premium requirement for intrastate rating in any one state, and
      (2) Develops experience during the experience period in one or more additional states where this Plan
      permits combination for interstate rating.
   b. The experience developed in each additional state does not have to meet the premium requirement for
      intrastate rating.
   c. The interstate modification applies to all of the risk’s operations even if coverage is written under separate
      policies.
   d. If a risk expands operations into one or more additional states, its experience rating modification applies to
      the additional state(s) operations as of the date of expansion. Experience for such operations will be
      included in the calculation of future modifications.
   e. Interstate experience modifications are calculated and issued by the National Council on Compensation
      Insurance, Inc. (NCCI).

★ B. RATING EFFECTIVE DATES

1. Anniversary Rating Date (ARD)
The anniversary rating date is the effective month and day of the policy in effect and each anniversary thereafter
   unless a different date has been established by the Rating Board. Refer to the New York Workers
   Compensation & Employers Liability Manual for more information regarding the anniversary rating date.

2. Rating Effective Date (RED)
   a. The rating effective date appears on a risk’s experience rating worksheet. It is the earliest date that
      a specific experience modification is applied to a policy. To determine experience rating modification
      application, refer to Rule 4-C.
   b. The Rating Board establishes the rating effective date. In most cases, a risk’s rating effective date is the
      same as its anniversary rating Policy Effective Date.
   c. Note: Wrap-up policies are not used to determine rating effective dates. Refer to Rule 5-A-4 for
      information on wrap-up policies.
   d. The rating effective date may differ from a risk’s anniversary rating Policy Effective Date for reasons
      including, but not limited to:
      - Short-term policies
      - Cancellations
      - Gaps in coverage
      - Changes in ownership or combinability status
      - Multiple policy effective dates
      - Interstate operations
      - A policy that is longer than one year and 16 days
      - Late receipt of current policy information by the Rating Board

★ e. To determine a risk’s rating effective date, the Rating Board will apply the Rating Effective Date
   Determination Table in conjunction with a review of the most recent full-term policies and unit statistical
   data. For purposes of this rule, a full-term policy is considered to be written for 12 months and is not
   cancelled prior to its expiration date.
b. For purposes of this Plan, a change in ownership does not include the following.
   (1) Entities entering or leaving employee leasing arrangements
   (2) Creation or dissolution of joint ventures
   (3) Wrap-up projects
   (4) Establishment of, or change in, a revocable trust
   (5) Establishment of “debtor in possession” status
   (6) Entities entering or leaving affiliation, franchise and/or management agreements
   (7) Probate proceedings (until a disposition of the estate is complete)

   Note: For more information on experience rating of employee leasing arrangements, joint ventures, and wrap-up projects, refer to Rule 5.

2. Impact of Ownership Changes
   Ownership changes may result in a change in:
   a. Experience rating modification(s).
   b. Combinability status with other entities.
   c. Premium eligibility status—an entity may or may not qualify to be experience rated. Refer to Rule 2-A for more information regarding premium eligibility.

D. COMBINATION OF ENTITIES

1. The Combination of Two or More Entities requires common majority ownership. Combination requires that:
   • The same person, group of persons or corporation owns more than 50% of each entity, or
   • An entity owns a majority interest in another entity, which in turn owns a majority interest in another entity. All entities are combinable for experience rating purposes regardless of the number of entities involved.

2. Determination of Majority Ownership Interest is based on the following:
   a. Majority of issued voting stock
   b. Majority of the owners, partners or members if no voting stock is issued.
   c. Majority of the board of directors or comparable governing body if a. or b. is not applicable.
   d. Participation of each general partner in the profits of a partnership. Limited partners are not considered in determining majority interest.
   e. The same central authority that appoints or controls the appointment of the board of trustees or similar body, and exercises direct, complete and active control over the finances, properties, operations and activities of separate legal entities within the same religious denomination.
   f. Ownership interest held by an entity as fiduciary. Such an entity’s total ownership interest will also include any ownership held in a nonfiduciary capacity.

   Note: For purposes of this rule, fiduciary does not include a debtor in possession, a trustee under a revocable trust, or a franchisor.
a. Exceptions to Minimum Data Requirements
   Experience rating modifications will be issued when the Rating Board determines that the:
   (1) Risk has had a lapse in coverage
   (2) Insurance provider is insolvent and not expected to report unit statistical data.

b. Submission of Missing Data
   When the missing data is submitted according to the Statistical Plan, the Rating Board will revise the current
   modification, and if applicable, up to two preceding modifications.

D. APPLICATION FOR SINGLE AND MULTIPLE POLICY RISKS

   The effective date (RED) and the anniversary rating date (ARD) determines the application of an
   experience rating modification. The RED is determined according to Rule 2-B-2 of this plan. The ARD is
determined according to the New York Manual. An experience rating modification will apply for:

   - No less than three months, except for those impacted by changes in ownership and combinability status
     according to Rule 3.
   - No more than 15 months

1. For Single Policy Risks

   a. The experience rating modification effective on the anniversary rating date applies for the full term of:
      (1) The policy beginning on that date, or
      (2) Any other policy beginning up to three months after that date.

   b. If a new policy begins more than three months after the normal RED anniversary rating date, the following
      procedure applies:
      (1) The current experience rating modification applies to the new policy until the date the modification
          expires.
      (2) A renewal experience rating modification applies to the new policy until the date the policy expires.

   (3) A renewal experience rating modification applies annually thereafter as of the new anniversary rating
date RED may be established. Usually, this will be the date 12 months after the effective date of the
new policy.

2. For Multiple Policy Risks

   If a risk is covered by two or more policies with varying effective dates, the following procedure applies:

   a. An experience rating modification is issued to be effective for 12 months. This modification applies to
      the portion of each policy falling within that 12-month period, regardless of the policy’s effective and
      expiration dates.

   b. A renewal experience rating modification applies to each policy as described above in 2-a.

   c. The Rating Board will review the effective dates of the multiple policies and may authorize the
      application of an experience rating modification for a period of other than 12 months.

E. CHANGES IN EXPERIENCE RATING MODIFICATIONS

   Experience rating modifications may change for reasons detailed in this Plan. These changes apply retroactively to
the inception date of the policy, or as of the rating anniversary effective date, if different from the policy inception
date.

   The application of an interstate experience modification change to a New York risk is subject to the rules of this
Plan.
G. AIRCRAFT CLASSIFICATIONS

If the insurance subject to the Plan includes any of the aircraft classifications, the premium and losses for such classifications may be excluded from the Plan by agreement in advance between the insured and the carrier.

H. ANNIVERSARY RATING DATE
POLICY EFFECTIVE DATE BASIS

The New York Retrospective Rating Plan is applicable on a policy effective date basis for single and multiple policy risks.

1. Single Policy Risk

The anniversary rating date for application of this Plan is the effective month and day of the policy in effect.

2. Multiple Policy Risk

If the risk subject to the Plan includes more than one policy with different effective dates, the anniversary rating date shall be determined by the rating organization.

Note: The Plan applies for the period of the policy or policies subject to the Plan.

I. LONG-TERM CONSTRUCTION PROJECT

A long-term construction project is a construction or erection project expected to require more than 1 year for completion and let under one contract, or more than one concurrent or consecutive contracts. Such a project may be insured under a 1 year policy or policies issued for any period not longer than 3 years.

J. WRAP-UP CONSTRUCTION PROJECT

A wrap-up construction project is a large construction, erection or demolition project for which policies have been issued by one or more insurance carriers under the same management to insure two or more legal entities engaged in such a project. The entities insured shall be limited to the general contractor (including any owner or principal acting as a general contractor) and subcontractors performing work under contracts let on an ex-insurance basis. If the contract between the owner or principal and such general contractor is on an ex-insurance basis, the owner or principal is an eligible entity for the combination.

The project must be confined to operations at a single location. In connection with the building of roadways, tunnels, waterways, surface or underground conduits, or New York City school construction work specifically authorized by Chapter 738, Laws of 1988, the entire job, or sections of the job, is considered a single location if the construction is performed by a single general contractor for a single owner or principal. The project must be of definite duration involving work to be performed continuously to completion.
12. Radiation Exposure—Other Than Nuclear Regulatory Commission Projects

The New York Workers Compensation and Employers Liability Manual provides that a supplemental rate, subject to the approval of the NYCIRB, may be applied to operations involving research, manufacture, handling, transportation and use of, or exposure to, radioactive materials, where such operations are not performed for, or under the direction of, any government agency. The additional premium resulting from this supplemental rate, and radiation losses on risks where the supplemental rate has been applied, must be reported under Code 9985.

13. Coverage for Other Than Payroll Based Exposures

a. On Standard One-Year Workers Compensation Policies

Premium and loss data must be submitted on unit statistical reports in accordance with Part III, Item 6.b. of this Plan.

b. On Three-Year Workers Compensation Policies

1. Three-Year Fixed Rate Policies

For three-year fixed rate policies written in accordance with Rule XI of the New York Workers Compensation and Employers Liability Manual, report the premiums and loss data on these policies in accordance with Item 19 below.

2. Other Three-Year Policies

For three-year policies that are not fixed rate policies written in accordance with Rule III C.3 of the New York Workers Compensation and Employers Liability Manual, report the premiums and loss data in accordance with Item 18 below.

c. Statutory Workers Compensation Coverage Afforded Under Personal Liability Policies

(1) Experience to be Reported

Whenever workers compensation and employers liability coverage for domestic workers is required by the New York Workers’ Compensation Law and afforded by endorsement under a personal liability policy, statistical reports must be filed in accordance with the preceding sections of this Plan. Premium and loss data must be reported only for workers compensation and related employers liability coverage and must not include any other liability coverage afforded under the personal liability policy.

(2) Time of Reporting

(a) If the personal liability policy is written for a three-year period, it shall be considered for reporting purposes as three consecutive annual policies having the same policy number, and three reports shall be filed at annual intervals.

Example: Three-year personal liability policy effective 7/01/12
7/01/12 - 7/01/13 report due 3/01/14
7/01/13 - 7/01/14 report due 3/01/15
7/01/14 - 7/01/15 report due 3/01/16

(b) If the workers compensation and employers liability coverage is endorsed on an outstanding personal liability policy, the time for reporting experience for such coverage must be determined on the basis of the policy anniversary effective date, not the endorsement date.
PART III—EXPOSURE / PREMIUM INFORMATION

1. Experience Modification Effective Date

Report the experience modification effective date, YYMMD, only when different from the policy effective date. If the experience modification changes in accordance with New York Experience Rating Plan Manual rules, report the effective date of the experience modification that applies to the reported class codes, exposures and premiums. If the anniversary rating date is different from the policy effective date, then the mod effective date equals the anniversary rating date.

Note: For the first (split 0), the experience modification effective date must be equal to, or prior to, the policy effective date. For subsequent splits (splits1…), the experience modification effective date must be after the policy effective date, but prior to the policy expiration date.

2. Rate Effective Date

Report the rate effective date, YYMMD, only when different from the policy effective date. If the rate changes in accordance with manual rules, report the effective date that applies to the reported class codes, exposures and premiums.

Note: The rate effective date must be prior to, or equal to, the effective date of the first split period.

3. Update Type

Report the 1-letter code that identifies the activity of the exposure data.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td>Original first reports and revised data on correction reports</td>
</tr>
<tr>
<td>P</td>
<td>Previously reported data (used only on correction reports)</td>
</tr>
</tbody>
</table>

Refer to Part V for further instructions.

4. Exposure Coverage Code

Report the exposure coverage for each class on the policy.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>00</td>
<td>For use with Statistical Codes</td>
</tr>
<tr>
<td>01</td>
<td>State Act or Federal Act excluding USL&amp;HW and Federal Mine Health and Safety Act</td>
</tr>
<tr>
<td>02</td>
<td>USL&amp;HW coverage on “F” and Non-&quot;F&quot; Classes</td>
</tr>
</tbody>
</table>

5. Classification Code

Report the 4-digit code corresponding to the classification assigned to the insured according to the rules of the New York Workers Compensation and Employers Liability Manual or the statistical code defined by the NYCIRB.

Refer to Part I, Item 17 for additional instructions.

6. Exposure Amount

a. Payroll Classification Codes

i. Payroll exposures are required for all classifications except those specifically indicated as exceptions in this section.

Payrolls must be appropriately separated as of the effective date of the change whenever there is a change in experience modification.
Note: Do not include the population reported in the exposure field in the Exposure – Payroll Total.

f. Volunteer Ambulance Workers

The number of ambulances or first response vehicles servicing the ambulance district must be reported under Code 7370 in the exposure field and the corresponding premium shall be reported in the premium field. The exposure must be reported in accordance with the rules specified above for Per Capita classifications, treating one ambulance year as an exposure of 1.0.

g. No Exposure Developed (1st Report)

Report no exposure developed/no payroll by using statistical Code 1111 for the entire policy period and zero-fill the exposure field.

7. Manual Rate

Report the carrier’s authorized rate corresponding to each classification code.

In the case of split rates due to:

a. A flat increase or D decrease on an outstanding P policy, either:

   There are two means of reporting a flat increase or decrease on an outstanding policy:

   i) Report the additional premium resulting from a flat increase under Code 0998. Report the premium credit resulting from a flat decrease under Code 0994, or

   ii) The exposure, authorized rate and corresponding premium may be split. The inception date of each period covered must be shown in the “Rate Effective Date” field.

b. The Anniversary Rating Date Differing from the Policy Effective Date

   The exposure, authorized rate and corresponding premium must be split. The effective date of each period must reflect the appropriate “Mod Effective Date” and “Rate Effective Date”.

8. Split Period Code

Report the single digit code when indicating changes in authorized rates or experience modifications during a policy period. Valid values are “0” “9” where “0” is reported for the first effective period, “1” is reported for the second effective period, and so on up to a ninth effective period (if applicable). This field is zero-filled for policies with no changes in rates or experience modification.

9. Premium Amount

a. Extension of Exposure

   The premium obtained by extension of payroll or other exposure at the carrier’s authorized rate must be reported under the appropriate classification codes.

b. Flat Charges

   The premium obtained by flat charges does not vary by exposure and must be reported under the appropriate statistical codes.

10. Premium Amount Subject to Experience Modification Factor (Above Line “A”)

Report the premium by classification as determined by:
PART ONE—RULES

RULE I - GENERAL

A. WORKERS COMPENSATION

Workers Compensation as used in this manual means workmen's compensation, workers compensation or occupational disease.

B. STANDARD POLICY

Standard Policy means the standard provisions Workers Compensation and Employers Liability Insurance Policy and the Information Page approved by the New York State Department of Financial Services. Every policy affording coverage under the New York Workers’ Compensation Law must have the following endorsements attached:

- WC 31 03 08 - New York Limit of Liability Endorsement;
- WC 31 03 19 H - New York Construction Classification Premium Adjustment Program Explanatory Endorsement;
- WC 31 06 18 - New York Policyholder Notice of Right to Appeal
- WC 00 04 14 - Notification of Change in Ownership
- WC 00 04 19 - Premium Due Date Endorsement;
- WC 00 04 21 D - Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement
- WC 00 04 22 B - Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement

Exception: The Standard Policy (WC 00 00 00C) shall not be used to provide coverage for employees subject to the New York Volunteer Firefighters' Benefit Law or the New York Volunteer Ambulance Workers' Benefit Law. Such coverage can be afforded only by means of a Volunteer Firefighters' Benefit Law Policy (WC 31 00 00A) or a Volunteer Ambulance Workers' Benefit Law Policy (WC 31 00 02A), respectively.

C. ENDORSEMENT FORMS

Endorsement forms means authorized endorsements listed in the Alphabetical List of Endorsements in Part Four of this manual. All endorsements must be used in the form prescribed in this manual.

D. POLICY AND ENDORSEMENT FORMS

Refer to the Policy Forms and Authorized Endorsement section of this manual for a complete description of coverages and instructions on use of policy and endorsement forms.

E. APPLICATION OF MANUAL RULES

Rules apply separately to each policy, except as allowed by Rule VII - Premium Discount.

F. EFFECTIVE DATE

1. Manual

This manual applies only from the policy effective date which occurs on or after the effective date of this manual.
2. Changes

The effective date of a change in any rule, classification, or loss cost is 12:01 a.m. on the date specified on the manual page. Any change will be issued on a reprinted page and will be designated by a ★. Unless specified otherwise, each change applies only from the policy effective date which occurs on or after the effective date of the change.

★
B. NAME, ADDRESS AND OTHER WORKPLACES OF INSURED—ITEM 1

1. Combination of Legal Entities

Separate legal entities may be insured in one policy only if the same person, or group of persons, owns the majority interest in such entities.

2. Single Location

All operations of any one employer at a single location shall be insured in one policy.

3. Multiple Locations

All New York locations and operations of an employer are automatically covered by the policy.

If a policy is issued to limit coverage only to operations conducted at or from specified location(s), the Designated Workplaces Exclusion Endorsement (WC 00 03 02) must be attached.

When coverage for a location is to be excluded subsequent to the effective date of the policy, the New York Designated Workplace Cancelation Endorsement and Notice of Partial Cancelation (WC 31 03 02) must be attached to the policy. All statutory provisions for cancellation of coverage must be followed when such partial cancellations are made.

C. POLICY PERIOD—ITEM 2

1. Normal Policy Period

The normal policy period is one year. A policy may be issued for any period not longer than three years. Refer to Section I.H.12 of the Digest of Rulings and Interpretations.

2. Policy for One Year

a. The manual rules are based on a policy period of one year.

b. A policy issued for a period not longer than one year and 16 days is treated as a one year policy.

3. Policy Longer Than One Year

A policy issued for a period longer than one year and 16 days, other than a three-year fixed rate policy, is treated as follows:

a. The policy period is divided into consecutive 12 month units.

b. If the policy period is not a multiple of 12 months, use the Policy Period Endorsement (WC 00 04 05) to specify the first or last unit of less than 12 months as a short-term policy.

c. All manual rules and procedures apply to each such unit as if a separate policy had been issued for each unit, including submitting an annual endorsement providing carrier approved rates, payrolls and other premium charges.
4. Three-Year Fixed Rate Policy Option

A policy may be issued for a period of 3 years using carrier approved rates. Such a policy shall not be issued if the risk is subject to the Experience Rating Plan on the effective date of the policy.

A policy issued under this option shall be known as a Three-Year Fixed Rate Policy and shall be so designated on the Information Page. Refer to Rule XI.

D. STATE LAWS DESIGNATED IN THE POLICY–ITEM 3.A.

1. Listing of States

Insurance for operations conducted in a state is provided by listing the state in Item 3.A. of the Information Page.

2. Longshore Act

The U.S. Longshore and Harbor Workers' Compensation Act shall not be entered in Item 3.A. of the Information Page. Refer to Rule XII.

3. Additional States

A state may be added after the effective date of the policy. For the additional state operations, apply:

a. Authorized rates in effect on the effective date of the policy to which the state has been added;

b. Any approved rate change which applies to outstanding policies for the state being added; and

c. Any applicable experience rating modification for the policy to which the state has been added. Refer to the New York Experience Rating Plan Manual.
RULE VII—PREMIUM DISCOUNT
Item 4 of the Information Page—continued

A. EXPLANATION

Premium discount recognizes that the relative expense of issuing and servicing larger premium policies is less than for smaller premium policies. Premium discount is a per policy charge and is calculated based upon the carrier’s expense provision as of the effective date of the policy and policy standard premium.

B. DEFINITIONS

1. Standard Premium

Standard premium is the premium before the premium discount. For the purposes of this rule, the premium is determined on the basis of authorized carrier rates, any experience rating or merit rating modification, credits under the New York Construction Classification Premium Adjustment Program, surcharges and credits under the Workplace Safety Programs and other programs as shown in Appendix C, non-ratable elements as defined in Rule VI.A.4, premium for increased limits of liability and carrier minimum premiums. The carrier expense constant, the New York State Assessment, the Workers’ Compensation Security Fund Surcharge and the additional charges for the catastrophe provisions as shown in Rule IX.N shall be excluded from determination of the standard premium.

2. Total Standard Premium

Total standard premium means the total premium for all states covered by the policy.

3. Insured

Insured means a single entity or two or more legal entities eligible for combination under the New York Experience Rating Plan Manual.

C. RETROSPECTIVE RATING

Any standard premium under a retrospective rating plan is not subject to premium discount.

D. DETERMINATION OF PREMIUM DISCOUNT

If a policy develops total standard premium in excess of $5,000, the standard premium is subject to premium discount as follows:

1. Without Retrospective Rating
   a. Single State Policy

   If a policy provides coverage only in New York, the carrier shall apply a premium discount as approved by the Department of Financial Services.
L. NEW YORK STATE ASSESSMENT

1. Explanation

The New York State Assessment is a separate identifiable charge to policyholders for the funding of the various expenses described in Section 151 of the Workers’ Compensation Law.

2. General Information

The New York State Assessment amount must be displayed as a separate identifiable charge on the policy information page. Statistical Code 0932 must be used in conjunction with this charge for policy submission use only.

The New York State Assessment amount is subject to change at audit.

For policies with effective dates prior to January 1, 2014, the New York State Assessment amount is charged in conjunction with the effective date of the rates used on each policy.

For all policies effective on or after March 1, 2011 and prior to January 1, 2014, in accordance with the Fifth Amendment to Regulation No. 119 (11 NYCRR 151-6) standard premium must be used as the basis for calculating the policy charge.

3. Premium Base for Calculating the New York State Assessment

For policies with effective dates prior to January 1, 2014, standard premium is the only premium base to be used in calculating the New York State Assessment policyholder charge.

(i) For purpose of this rule, standard premium is defined as the premium determined on the basis of the insurer’s approved rates, as modified by:
   (a) any experience modification or merit rating factor;
   (b) any applicable territory differential premium;
   (c) the minimum premium;
   (d) any Construction Classification Premium Adjustment Program credits;
   (e) any credit from return to work and/or drug and alcohol prevention programs, including credits under the Workplace Safety Loss Prevention Incentive Program (WSLPIP);
   (f) any surcharge or credit from a workplace safety program, including credits under the Workplace Safety Loss Prevention Incentive Program (WSLPIP);
   (g) any credit from independently-filed insurer specialty programs (for example, alternative dispute resolution, drug-free workplace, managed care or preferred provider organization programs);
   (h) any charge for the waiver of subrogation;
   (i) any charge for foreign voluntary coverage; and
   (j) the additional charge for terrorism, and the charge for natural disasters and catastrophic industrial accidents.

(ii) For purposes of determining standard premium, the insurer’s expense constant, including the expense constant in the minimum premium, the insurer’s premium discount, and premium credits for participation in any deductible program, as well as any premiums providing federal coverage, and coverage under the volunteer firefighter benefit law and volunteer ambulance workers benefit law, shall be excluded from the premium base.

(iii) The insurer shall also use the definition of standard premium set forth in Regulation 119, cited above, to report standard premium to the New York State Workers’ Compensation Board.

For policies effective on or after January 1, 2014, refer to the Workers’ Compensation Board at www.wcb.ny.gov for procedures to determine the NY State Assessment.
4. **Assessment Charge**

The assessment percentages to be applied to each policy can be found in Part Three–Loss Costs, Miscellaneous Values in this manual.

*Note:* For policies effective prior to January 1, 2014, New York State Law requires that the assessment amounts collected from policyholders be considered as premium for tax purposes. Assessment charges prior to January 1, 2014 contemplate premium tax, but not commission. For policies effective on or after January 1, 2014, assessment amounts collected from policyholders are no longer considered as premium for tax purposes.

M. **WORKERS COMPENSATION SECURITY FUND SURCHARGE**

1. **Explanation**

The Workers Compensation Security Fund Surcharge is a separate identifiable charge to policyholders for the funding of the Workers Compensation Security Fund which serves as the guaranty fund for fulfilling the obligations of insolvent private carriers writing workers compensation in the state of New York.

Department of Financial Services, as required by statute, determines when this surcharge is necessary.

2. **General Information**

When applicable, the Workers Compensation Security Fund Surcharge amount must be displayed as a separate identifiable charge on the policy information page. Code 9749 must be used in conjunction with this charge.

The Workers Compensation Security Fund Surcharge amount is subject to change at audit and at all subsequent retrospective rating adjustments.

The Workers Compensation Security Fund Surcharge amount is charged in conjunction with the effective date of the rates used on each policy.

3. **Premium Base for Calculating the Security Fund Surcharge**

Total policy premium is the premium base to which the surcharge percentage, shown in Part Three–Loss Costs, Miscellaneous Values section of this manual, applies.
Frequently asked questions that better explain the intent of the Program and clarify application of the manual rules are shown below. Following the questions and answers are some examples of premium calculations as they pertain to payroll limitation.

**FREQUENTLY ASKED QUESTIONS**

**Q:** What is the Construction Employment Payroll Limitation Law?

**A:** The Payroll Limitation Law was enacted to become effective for policies with anniversary rating dates on or after October 1, 1999. Beginning May 1, 2017, anniversary rating date is replaced by policy effective date. For workers compensation insurance premium determination purposes, the Law applies a maximum payroll limitation for eligible construction classification codes. The Law does not apply, however, to employments engaged in the construction of one or two-family residential housing. *Refer to Rule V.G.1.*

**Q:** What is the purpose of the Payroll Limitation Law?

**A:** The purpose of the Payroll Limitation Law is to provide a more equitable distribution of premium between high wage paying and low wage paying employers in the construction industry.

**Q:** How does the payroll limitation work?

**A:** A payroll limitation is applied to the actual weekly payroll per employee in each of the eligible construction classification codes. Actual payroll, and not the limited payroll, is used for employments engaged in the construction of one or two-family residential housing. *Refer to Rule V.G.1-4.*

**Q:** Who is eligible for payroll limitation?

**A:** Employers with payroll in the classifications shown in Rule V.G.1 of the Manual.

**Q:** Are any construction employments excluded from the Payroll Limitation Law?

**A:** Yes, any employments engaged in the construction of one or two-family residential housing.

Example: The payroll limitation would apply to an employer subject to Code 5183 who performs plumbing work in a commercial or retail building. However, if the same employer performed plumbing work in one or two-family residential housing, then that payroll would not be subject to payroll limitation. *Refer to Rule V.G.1.*
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WC 31 03 05 B New York Exclusion of Executive Officer Endorsement
WC 31 03 06 A New York Inclusion of Executive Officer Endorsement
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<td>New York Liability of Municipalities to Police Officers or Paid Firefighters—Exclusion Endorsement</td>
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<td>New York Sole Proprietors, Partners and Members of LLC’s, PSLC’s and RLLP’s Coverage Endorsement</td>
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<td>New York Inclusion of Auxiliary Police Endorsement</td>
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<td>WC 31 04 03 A</td>
<td>New York Preferred Provider Organization Premium Endorsement</td>
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<td>WC 31 04 04 A</td>
<td>New York Pending Payroll Limitation and Premium Differential Endorsement</td>
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<td>WC 31 06 01</td>
<td>New York Domestic Workers Restricted Endorsement</td>
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<td>WC 31 06 04</td>
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<td>New York Volunteer Ambulance Workers' Premium Discount Endorsement for County or Town Policies</td>
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<td>New York Ambulance District Liability Exclusion Endorsement</td>
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<td>New York Exclusion For Designated Officers and Employees of Ambulance Districts Endorsement</td>
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</tr>
<tr>
<td>WC 31 06 16 A</td>
<td>New York Preferred Provider Organization Endorsement</td>
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<td>WC 31 06 17 A</td>
<td>New York Foreign Voluntary Compensation and Employers Liability Coverage Endorsement</td>
</tr>
<tr>
<td>WC 31 06 18</td>
<td>New York Workers Compensation Policyholder Notice of Right to Appeal</td>
</tr>
</tbody>
</table>
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 11.) 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 of the insurer is to be shown prominently on the Information Page in the space above Item 1. Multi-company groups must make appropriate reference to the name of the member of the group providing the insurance.

   The address and kind 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 should be unique to the company and remain constant during the policy period. It should be used on all endorsements issued after the policy is issued.

   The policy number appearing on the Information Page should be the same as the policy number contained in the carrier's internal statistical records.

   The five-digit NCCI carrier code number and the NCCI Interstate Risk Identification Number must be shown and appropriately labeled on the Information Page.

4. Use appropriate text on the Board copy of a renewal policy Information Page to designate the prior policy by number.

   New business may be designated “New.” At its option, the company may show this on the insured's copy of the Information Page.

   The policy number of a rewritten or replaced policy must also be on the Information Page.

5. List 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.

   Also include the respective federal employer's identification number (FEIN), appropriately labeled, for each entity included on the policy.

   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.

6. List in Item 1 or by schedule all usual workplaces of the insured that are to be covered by the policy.

7. 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.

8. List in Item 3.A. states where state workers compensation insurance is provided. If none is provided, “none” or “not covered” may be shown.

9. Show limits of liability separately for bodily injury by accident and by disease in Item 3.B.

10. 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.
11. Item 3.D. may be omitted so long as the list of the policy's schedules and endorsements appears somewhere on the Information Page.

12. 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.

13. In Item 4, the development of estimated annual premium shall 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.

14. The experience rating modification factor shall 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. See the Experience Rating Modification Factor Endorsement for more information.

15. Premium discount must be shown in Item 4, the Premium Discount Endorsement, or both.

16. All charges or credits affecting the total estimated premium must be shown in Item 4. The deposit premium and the interim adjustment period must also appear on the Information Page.

The date and place of policy issuance, date and place of countersignature and other related information may also be shown on the Information Page.

17. Three-Year Fixed Rate Policies must be so designated on the Information Page as required by Rule XI of the Basic Manual.

18. Other entries may be made on the Information Page as authorized by Notes to Endorsements, including: Defense Base Act Coverage; Voluntary Compensation Maritime Coverage Endorsements and the endorsements that apply to the inclusion and exclusion of executive officers and sole proprietors and partners.

19. The company may use its own method of execution and place the execution clause at the end of the Information Page, at the end of the standard policy, or on a policy jacket.

20. Provide and reference the Employer’s Appeal Process (explained in Item M of the Administrative Rules and Procedures Section of the New York WC & EL Manual) for classification, ownership, premium auditing, or any other ruling or decision pertaining to this policy. This is satisfied through the attachment of mandatory Endorsement WC 31 06 18, New York Policyholder Notice of Right to Appeal.
The Construction Employment Payroll Limitation Law (S7744/A11294) requires a payroll limitation and territory premium differential on policies for all employers subject to the Law. The code(s) currently on your policy may be subject to the Law.

The requirements of the Law may be applied during the policy period or may be applied at time of audit.

Note: Use this endorsement if the proper payroll limitation and territory premium differential cannot be applied at time of policy issuance.
RULE 1 – GENERAL EXPLANATIONS

A. EXPERIENCE RATING

Experience rating recognizes the differences among individual insureds with respect to safety and loss prevention. It does this by comparing the experience of individual insureds with the average insured in the same classification. The differences are reflected by an experience rating modification, based on individual insured payroll and loss records, which may result in an increase, decrease, or no change in premium.

B. MANDATORY PLAN

1. The New York Experience Rating Plan for Workers Compensation and Employers Liability Insurance (Plan) applies on a mandatory basis for risks that meet the premium eligibility requirements in Rule 2-A. A policy cannot be cancelled, rewritten or extended for purposes of enabling a risk to qualify for, or avoid application of, this Plan.

2. Any action taken in any form to evade the application of an experience rating modification determined in accordance with this Plan is prohibited.

3. The effective date of a change in any rule or rating value is 12:01 a.m. on the date approved for use. Unless otherwise specified, each change applies only from the first Rating Effective Date that occurs on or after the effective date of the change. Refer to Rule 2-B for more information about Rating Effective Dates.

4. The Standard Workers Compensation and Employers Liability Insurance Policy (WC 00 00 00 A) provides the Rating Board with the authority to examine and audit all records that relate to the policy. The application of this Plan’s rules may be affected by the attachment of endorsements found in the New York Workers Compensation and Employers Liability Insurance Manual.

5. The rules of this Plan are based on policy periods not longer than one year.
   a. A policy issued for a period not longer than one year and 16 days is treated as a one-year policy.
   b. A policy issued for a period longer than one year and 16 days is treated as follows:
      • The policy period is divided into consecutive 12-month units.
      • The Policy Period Endorsement (WC 00 04 05) specifies the first or last unit of less than 12 months as a short-term policy.
      • All manual rules and procedures apply to each such unit as if a separate policy had been issued for each unit.

C. DEFINITIONS

1. Statistical Plan

The Statistical Plan refers to the New York Workers Compensation Statistical Plan. The Statistical Plan sets forth detailed data reporting requirements for individual risk experience. Only 1st, 2nd, and 3rd reports, as well as corrections to such reports, are used in the experience rating calculation. Based on a risk’s experience period, an individual unit report may be used in more than one experience rating.
5. Interstate Experience Rating
   a. A risk qualifies for experience rating on an interstate (multi-state) basis when it:
      (1) Meets the premium requirement for intrastate rating in any one state, and
      (2) Develops experience during the experience period in one or more additional states where this Plan
          permits combination for interstate rating.
   b. The experience developed in each additional state does not have to meet the premium requirement for
      intrastate rating.
   c. The interstate modification applies to all of the risk’s operations even if coverage is written under separate
      policies.
   d. If a risk expands operations into one or more additional states, its experience rating modification applies to
      the additional state(s) operations as of the date of expansion. Experience for such operations will be
      included in the calculation of future modifications.
   e. Interstate experience modifications are calculated and issued by the National Council on Compensation
      Insurance, Inc. (NCCI).

★ B. RATING EFFECTIVE DATE

1. The Rating Effective Date appears on a risk’s experience rating worksheet. It is the earliest date that a
   specific experience modification is applied to a policy. To determine experience rating modification
   application, refer to Rule 4-C.

★ The Rating Board establishes the rating effective date. In most cases, a risk’s rating effective date is the
   same as its Policy Effective Date.

   Note: Wrap-up policies are not used to determine rating effective dates. Refer to Rule 5-A-4 for
   information on wrap-up policies.

★ 2. The rating effective date may differ from a risk’s Policy Effective Date for reasons including, but not
   limited to:
   • Short-term policies
   • Cancellations
   • Gaps in coverage
   • Changes in ownership or combinability status
   • Multiple policy effective dates
   • Interstate operations
   • A policy that is longer than one year and 16 days
   • Late receipt of current policy information by the Rating Board

★ 3. To determine a risk’s rating effective date, the Rating Board will apply the Rating Effective Date
   Determination Table in conjunction with a review of the most recent full-term policies and unit statistical
   data. For purposes of this rule, a full-term policy is considered to be written for 12 months and is not
   cancelled prior to its expiration date.
b. For purposes of this Plan, a change in ownership does not include the following.
   (1) Entities entering or leaving employee leasing arrangements
   (2) Creation or dissolution of joint ventures
   (3) Wrap-up projects
   (4) Establishment of, or change in, a revocable trust
   (5) Establishment of “debtor in possession” status
   (6) Entities entering or leaving affiliation, franchise and/or management agreements
   (7) Probate proceedings (until a disposition of the estate is complete)

   Note: For more information on experience rating of employee leasing arrangements, joint ventures, and wrap-up projects, refer to Rule 5.

2. Impact of Ownership Changes
   Ownership changes may result in a change in:
   a. Experience rating modification(s).
   b. Combinability status with other entities.
   c. Premium eligibility status—an entity may or may not qualify to be experience rated. Refer to Rule 2-A for more information regarding premium eligibility.
   d. Rating Effective Date

D. COMBINATION OF ENTITIES

1. The Combination of Two or More Entities requires common majority ownership. Combination requires that:
   • The same person, group of persons or corporation owns more than 50% of each entity, or
   • An entity owns a majority interest in another entity, which in turn owns a majority interest in another entity. All entities are combinable for experience rating purposes regardless of the number of entities involved.

2. Determination of Majority Ownership Interest is based on the following:
   a. Majority of issued voting stock
   b. Majority of the owners, partners or members if no voting stock is issued.
   c. Majority of the board of directors or comparable governing body if a. or b. is not applicable.
   d. Participation of each general partner in the profits of a partnership. Limited partners are not considered in determining majority interest.
   e. The same central authority that appoints or controls the appointment of the board of trustees or similar body, and exercises direct, complete and active control over the finances, properties, operations and activities of separate legal entities within the same religious denomination.
   f. Ownership interest held by an entity as fiduciary. Such an entity’s total ownership interest will also include any ownership held in a nonfiduciary capacity.

   Note: For purposes of this rule, fiduciary does not include a debtor in possession, a trustee under a revocable trust, or a franchisor.
a. **Exceptions to Minimum Data Requirements**
   Experience rating modifications will be issued when the Rating Board determines that the:
   1. Risk has had a lapse in coverage
   2. Insurance provider is insolvent and not expected to report unit statistical data.

b. **Submission of Missing Data**
   When the missing data is submitted according to the Statistical Plan, the Rating Board will revise the current modification, and if applicable, up to two preceding modifications.

**D. APPLICATION FOR SINGLE AND MULTIPLE POLICY RISKS**

★ The Rating Effective Date (RED) determines the application of an experience rating modification. The RED is determined according to Rule 2-B-2 of this plan. An experience rating modification will apply for:
- No less than three months, except for those impacted by changes in ownership and combinability status according to Rule 3.
- No more than 15 months

1. **For Single Policy Risks**

★ a. The experience rating modification applies for the full term of:
   1. The policy beginning on that date, or
   2. Any other policy beginning up to three months after that date.

b. If a new policy begins **more than** three months after the RED, the following procedure applies:
   1. The current experience rating modification applies to the new policy until the date the modification expires.
   2. A renewal experience rating modification applies to the new policy until the date the policy expires.

★ (3) A new RED may be established. Usually, this will be the date 12 months after the effective date of the new policy.

2. **For Multiple Policy Risks**

   If a risk is covered by two or more policies with varying effective dates, the following procedure applies:
   a. An experience rating modification is issued to be effective for 12 months. This modification applies to the portion of each policy falling within that 12-month period, regardless of the policy’s effective and expiration dates.
   b. A renewal experience rating modification applies to each policy as described above in 2-a.
   c. The Rating Board will review the effective dates of the multiple policies and may authorize the application of an experience rating modification for a period of other than 12 months.

**E. CHANGES IN EXPERIENCE RATING MODIFICATIONS**

★ Experience rating modifications may change for reasons detailed in this Plan. These changes apply retroactively to the inception date of the policy, or as of the rating effective date, if different from the policy inception date.

The application of an interstate experience modification change to a New York risk is subject to the rules of this Plan.
G. AIRCRAFT CLASSIFICATIONS

If the insurance subject to the Plan includes any of the aircraft classifications, the premium and losses for such classifications may be excluded from the Plan by agreement in advance between the insured and the carrier.

H. POLICY EFFECTIVE DATE BASIS

The New York Retrospective Rating Plan is applicable on a policy effective date basis for single and multiple policy risks.

Note: The Plan applies for the period of the policy or policies subject to the Plan.

I. LONG-TERM CONSTRUCTION PROJECT

A long-term construction project is a construction or erection project expected to require more than 1 year for completion and let under one contract, or more than one concurrent or consecutive contracts. Such a project may be insured under a 1 year policy or policies issued for any period not longer than 3 years.

J. WRAP-UP CONSTRUCTION PROJECT

A wrap-up construction project is a large construction, erection or demolition project for which policies have been issued by one or more insurance carriers under the same management to insure two or more legal entities engaged in such a project. The entities insured shall be limited to the general contractor (including any owner or principal acting as a general contractor) and subcontractors performing work under contracts let on an ex-insurance basis. If the contract between the owner or principal and such general contractor is on an ex-insurance basis, the owner or principal is an eligible entity for the combination.

The project must be confined to operations at a single location. In connection with the building of roadways, tunnels, waterways, surface or underground conduits, or New York City school construction work specifically authorized by Chapter 738, Laws of 1988, the entire job, or sections of the job, is considered a single location if the construction is performed by a single general contractor for a single owner or principal. The project must be of definite duration involving work to be performed continuously to completion.
12. Radiation Exposure—Other Than Nuclear Regulatory Commission Projects

The New York Workers Compensation and Employers Liability Manual provides that a supplemental rate, subject to the approval of the NYCIRB, may be applied to operations involving research, manufacture, handling, transportation and use of, or exposure to, radioactive materials, where such operations are not performed for, or under the direction of, any government agency. The additional premium resulting from this supplemental rate, and radiation losses on risks where the supplemental rate has been applied, must be reported under Code 9985.

13. Coverage for Other Than Payroll Based Exposures

a. On Standard One-Year Workers Compensation Policies

Premium and loss data must be submitted on unit statistical reports in accordance with Part III, Item 6.b. of this Plan.

b. On Three-Year Workers Compensation Policies

1. Three - Year Fixed Rate Policies

For three-year fixed rate policies written in accordance with Rule XI of the New York Workers Compensation and Employers Liability Manual, report the premiums and loss data on these policies in accordance with Item 19 below.

2. Other Three-Year Policies

For three-year policies that are not fixed rate policies written in accordance with Rule III C.3 of the New York Workers Compensation and Employers Liability Manual, report the premiums and loss data in accordance with Item 18 below.

c. Statutory Workers Compensation Coverage Afforded Under Personal Liability Policies

(1) Experience to be Reported

Whenever workers compensation and employers liability coverage for domestic workers is required by the New York Workers’ Compensation Law and afforded by endorsement under a personal liability policy, statistical reports must be filed in accordance with the preceding sections of this Plan. Premium and loss data must be reported only for workers compensation and related employers liability coverage and must not include any other liability coverage afforded under the personal liability policy.

(2) Time of Reporting

(a) If the personal liability policy is written for a three-year period, it shall be considered for reporting purposes as three consecutive annual policies having the same policy number, and three reports shall be filed at annual intervals.

Example: Three-year personal liability policy effective 7/01/12
7/01/12 - 7/01/13 report due 3/01/14
7/01/13 - 7/01/14 report due 3/01/15
7/01/14 - 7/01/15 report due 3/01/16

★ (b) If the workers compensation and employers liability coverage is endorsed on an outstanding personal liability policy, the time for reporting experience for such coverage must be determined on the basis of the policy effective date, not the endorsement date.
PART III—EXPOSURE / PREMIUM INFORMATION

1. Experience Modification Effective Date

Report the experience modification effective date, YYMMDD, only when different from the policy effective date. If the experience modification changes in accordance with New York Experience Rating Plan Manual rules, report the effective date of the experience modification that applies to the reported class codes, exposures and premiums.

Note: For the first (split 0), the experience modification effective date must be equal to, or prior to, the policy effective date. For subsequent splits (splits1…), the experience modification effective date must be after the policy effective date, but prior to the policy expiration date.

2. Rate Effective Date

Report the rate effective date, YYMMDD, only when different from the policy effective date. If the rate changes in accordance with manual rules, report the effective date that applies to the reported class codes, exposures and premiums.

Note: The rate effective date must be prior to, or equal to, the effective date of the first split period.

3. Update Type

Report the 1-letter code that identifies the activity of the exposure data.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td>Original first reports and revised data on correction reports</td>
</tr>
<tr>
<td>P</td>
<td>Previously reported data (used only on correction reports)</td>
</tr>
</tbody>
</table>

Refer to Part V for further instructions.

4. Exposure Coverage Code

Report the exposure coverage for each class on the policy.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>00</td>
<td>For use with Statistical Codes</td>
</tr>
<tr>
<td>01</td>
<td>State Act or Federal Act excluding USL&amp;HW and Federal Mine Health and Safety Act</td>
</tr>
<tr>
<td>02</td>
<td>USL&amp;HW coverage on “F” and Non-&quot;F&quot; Classes</td>
</tr>
</tbody>
</table>

5. Classification Code

Report the 4-digit code corresponding to the classification assigned to the insured according to the rules of the New York Workers Compensation and Employers Liability Manual or the statistical code defined by the NYCIRB.

Refer to Part I, Item 17 for additional instructions.

6. Exposure Amount

a. Payroll Classification Codes

i. Payroll exposures are required for all classifications except those specifically indicated as exceptions in this section.

Payrolls must be appropriately separated as of the effective date of the change whenever there is a change in experience modification.
Note: Do not include the population reported in the exposure field in the Exposure – Payroll Total.

f. Volunteer Ambulance Workers

The number of ambulances or first response vehicles servicing the ambulance district must be reported under Code 7370 in the exposure field and the corresponding premium shall be reported in the premium field. The exposure must be reported in accordance with the rules specified above for Per Capita classifications, treating one ambulance year as an exposure of 1.0.

g. No Exposure Developed (1st Report)

Report no exposure developed/no payroll by using statistical Code 1111 for the entire policy period and zero-fill the exposure field.

7. Manual Rate

Report the carrier’s authorized rate corresponding to each classification code.

In the case of split rates due to a flat increase or decrease on an outstanding policy, either:

i) Report the additional premium resulting from a flat increase under Code 0998. Report the premium credit resulting from a flat decrease under Code 0994, or

ii) The exposure, authorized rate and corresponding premium may be split. The inception date of each period covered must be shown in the “Rate Effective Date” field.

8. Split Period Code

Report the single digit code when indicating changes in authorized rates or experience modifications during a policy period. Valid values are “0” “9” where “0” is reported for the first effective period, “1” is reported for the second effective period, and so on up to a ninth effective period (if applicable). This field is zero-filled for policies with no changes in rates or experience modification.

9. Premium Amount

a. Extension of Exposure

The premium obtained by extension of payroll or other exposure at the carrier’s authorized rate must be reported under the appropriate classification codes.

b. Flat Charges

The premium obtained by flat charges does not vary by exposure and must be reported under the appropriate statistical codes.

10. Premium Amount Subject to Experience Modification Factor (Above Line “A”)

Report the premium by classification as determined by: