

# Report a Claim

Tell us what happened and we'll immediately get to work on your claim.



Intake Phone Number: **(866) 648-4744**

Referencing Contract Number: **9981**



Intake Email: [9981ClearSpringBTISWC@sedgwick.com](mailto:9981ClearSpringBTISWC@sedgwick.com)

Referencing Contract Number: **9981**



Intake URL: [intake.sedgwick.com/u/ClearSpringBTISWC/intake](https://intake.sedgwick.com/u/ClearSpringBTISWC/intake)

Access Code: **9981Smartly!**

Referencing Contract Number: **9981**



227 West Monroe, Suite 3950  
Chicago, IL 60606

## PRIVACY STATEMENT

Clear Spring Property and Casualty Company is proud to insure your workers compensation policy. We appreciate the trust you have placed in us. We protect that trust with the privacy of all our customers. The following will explain our privacy practices so that you will understand our commitment to you our policyholder.

### **We Respect Your Privacy**

When you apply to Clear Spring Property and Casualty Company, you disclose information to us. The collection, use and disclosure of such information is regulated by law. Clear Spring and its affiliates maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information. Our employees are also instructed with the importance of maintaining the confidentiality of your information.

### **Types of Information We Collect**

Clear Spring Property and Casualty Company collects most of our information directly from you, your agent or broker. The application you complete, as well as any further information you provide, typically gives us most of the details we need to know, though we may require further details regarding your business. We may obtain additional information from third parties, such as other insurance or reinsurance companies, medical providers, government agencies and other public records.

### **What We Do With Your Information**

Information that has been collected about you is retained in your file. We review your request for insurance coverage based on the information given to us, determining your rates or underwriting risk, servicing your policy or adjusting claims. We would only disclose information as described in this notice or as otherwise permitted by law.

### **Protection of Information**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state laws. These measures include computer safeguards and secured files and buildings.

### **To Whom Do We Disclose Your Information**

Non-public, personal information will not be disclosed, except as permitted by law. That means we may disclose information we have collected to the following types of third parties:

- Our affiliated companies
- Your agent or broker
- Parties who perform a business or insurance function for Clear Spring Property and Casualty Company
- Other insurance companies or agents as reasonably necessary concerning your application, policy or claim
- Insurance regulatory or statistical reporting agencies
- Law enforcement or governmental authorities in connection with suspected fraud or illegal activities
- Authorized person(s) as ordered by subpoena, warrant or court, or as required by law

We do not disclose any non-public, personal information about you to non-affiliated companies for marketing purposes or for any other purpose except those specifically allowed by law and described above.

### **Independent Sales Agents or Brokers**

If your information was brought to us by an independent agent or broker, the use and protection of that information obtained by your agent is their responsibility, not Clear Spring Property and Casualty Company. If you have questions about how your agent uses or discloses your information, please contact them directly.



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## CERTIFICATES OF INSURANCE

### **What is a Certificate of Insurance?**

A Certificate of Insurance (COI) is a document issued by an insurance company or broker verifying the existence of an insurance policy and summarizing key aspects and conditions of the policy. A standard certificate of insurance lists the policyholder's name, policy effective date, the type of coverage, policy limits as well as other important details of the policy. It is often considered "Proof of Insurance".

### **Why is this information important?**

A Certificate of Insurance confirms that your subcontractor has coverage. Because many companies and individuals hire contractors, the client needs to know that a business owner or contractor has insurance and that they may not be held liable for damages, injuries or substandard work.

### **What to look for on a standard certificate of insurance?**

Requesting the certificate but not knowing how to read it will do you no good. The same is true if you pass it off to someone who is not familiar with insurance or this type of document. General components of a standard certificate of insurance are:

- General liability
- Automotive liability
- Umbrella
- Workers' Compensation coverage
- Additional insured status — let's say you're working with a subcontractor; if this is present it means they are taking on full responsibility for their work
- Name of Insurance company
- Policy date
- Limits

### **Validating a Certificate of Insurance**

- Is the name of the insured an exact match for the company or contractor?
- Is the coverage amount enough to cover the entire job?
- Is the original an official document from the insurance company?
- Does the policy period cover the dates needed for the job? (Note: you many need to make sure you secure a new certificate if the policy is set to expire before the contracted work is completed)
- Is the certificate of insurance valid? (please see the list of state websites to valid proof of coverage)

**If you answer NO to any of the above – coverage is not in place or correct for the job.**

**PLEASE NOTE:** The purpose of a Certificate of Insurance is to provide some proof of insurance. But the recipients of such certificates cannot rely upon them to prove or establish coverage. You must follow through if there is any question as to the scope or applicability of coverage of the policy itself. **Payroll can be collected at premium audit adjustment time for invalid certificates or subcontractors of which work was performed who do not have certificates.** It's important to confirm that the policy period you were provided is still in effect for the full length of the job.



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## CERTIFICATES OF INSURANCE

**If contractor does not have the proper insurance coverage, YOU may be financially responsible if something such as an accident or an injury occurs during the course of the contractors work.**



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## CERTIFICATES OF INSURANCE

STATE	Website (Coverage Lookup)
All states	<a href="https://www.ewccv.com/cvs/search">https://www.ewccv.com/cvs/search</a>
Alabama	<a href="https://labor.alabama.gov/wc/workers-compensation.aspx">https://labor.alabama.gov/wc/workers-compensation.aspx</a>
Arizona	<a href="https://www.azica.gov/obtaining-workers-compensation-coverage-information">https://www.azica.gov/obtaining-workers-compensation-coverage-information</a>
Arkansas	<a href="http://www.awcc.state.ar.us/electron.html">http://www.awcc.state.ar.us/electron.html</a>
California	<a href="https://www.caworkcompcoverage.com/Search.aspx">https://www.caworkcompcoverage.com/Search.aspx</a>
Colorado	<a href="https://colorado.gov/pacific/cdle/insurance-coverage">https://colorado.gov/pacific/cdle/insurance-coverage</a>
Connecticut	<a href="https://www.wcc.state.ct.us/online-services/coverage-verification-service.htm">https://www.wcc.state.ct.us/online-services/coverage-verification-service.htm</a>
Delaware	<a href="https://dia.delawareworks.com/workers-comp/wc-search.php">https://dia.delawareworks.com/workers-comp/wc-search.php</a>
Florida	<a href="https://apps8.fldfs.com/proofofcoverage/Search.aspx">https://apps8.fldfs.com/proofofcoverage/Search.aspx</a>
Georgia	<a href="https://sbwc.georgia.gov/online-employers-workers-compensation-coverage-verification">https://sbwc.georgia.gov/online-employers-workers-compensation-coverage-verification</a>
Idaho	<a href="https://iic.idaho.gov/verify-an-employers-coverage/">https://iic.idaho.gov/verify-an-employers-coverage/</a>
Illinois	<a href="https://www2.illinois.gov/sites/iwcc/Pages/default.aspx">https://www2.illinois.gov/sites/iwcc/Pages/default.aspx</a>
Indiana	<a href="https://secure.in.gov/wcb/2590.htm">https://secure.in.gov/wcb/2590.htm</a>
Iowa	<a href="https://www.iowaworkcomp.gov/employers-workers-compensation-insurance-coverage-verification">https://www.iowaworkcomp.gov/employers-workers-compensation-insurance-coverage-verification</a>
Kansas	<a href="https://www.dol.ks.gov/WorkComp/coververifi.aspx">https://www.dol.ks.gov/WorkComp/coververifi.aspx</a>
Kentucky	<a href="https://kyworkersclaims.lms.ky.gov/CoverageLookup">https://kyworkersclaims.lms.ky.gov/CoverageLookup</a>
Louisiana	<a href="http://www.laworks.net/WorkersComp/OWC_EmployerMenu.asp">http://www.laworks.net/WorkersComp/OWC_EmployerMenu.asp</a>



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## CERTIFICATES OF INSURANCE

Maine	<a href="https://www.maine.gov/wcb/Departments/coverage/verification.html">https://www.maine.gov/wcb/Departments/coverage/verification.html</a>
Maryland	<a href="http://www.wcc.state.md.us/WFMS/Online_CVS.html">http://www.wcc.state.md.us/WFMS/Online_CVS.html</a>
Massachusetts	<a href="https://www.mass.gov/how-to/check-for-workers-compensation-insurance">https://www.mass.gov/how-to/check-for-workers-compensation-insurance</a>
Michigan	<a href="http://w1.lara.state.mi.us/WCInsuranceCoverageLookup">http://w1.lara.state.mi.us/WCInsuranceCoverageLookup</a>
Minnesota	<a href="http://www.inslookup.doli.state.mn.us/">http://www.inslookup.doli.state.mn.us/</a>
Mississippi	<a href="https://www.mwcc.ms.gov/#/home">https://www.mwcc.ms.gov/#/home</a>
Missouri	<a href="https://labor.mo.gov/areyoucovered">https://labor.mo.gov/areyoucovered</a>
Montana	<a href="http://erd.dli.mt.gov/">http://erd.dli.mt.gov/</a>
Nebraska	<a href="https://www.wcc.ne.gov/information-for-the-public/coverage-lookup">https://www.wcc.ne.gov/information-for-the-public/coverage-lookup</a>
Nevada	<a href="http://dir.nv.gov/WCS/Home/">http://dir.nv.gov/WCS/Home/</a>
New Hampshire	<a href="https://www.nh.gov/labor/workers-comp/employer-information.htm">https://www.nh.gov/labor/workers-comp/employer-information.htm</a>
New Jersey	<a href="http://pcov.njcrib.com/PcovA.aspx">http://pcov.njcrib.com/PcovA.aspx</a>
New Mexico	<a href="https://workerscomp.nm.gov/WCA-eServices">https://workerscomp.nm.gov/WCA-eServices</a>
New York	<a href="http://www.wcb.ny.gov/content/ebiz/icempcovsearch/icempcovsearch_overview.jsp">http://www.wcb.ny.gov/content/ebiz/icempcovsearch/icempcovsearch_overview.jsp</a>
North Carolina	<a href="https://ccms.ic.nc.gov/insurancecoverage/inscov/insCoverageSearch">https://ccms.ic.nc.gov/insurancecoverage/inscov/insCoverageSearch</a>
Oregon	<a href="https://wcd.oregon.gov/employer/coverage/Pages/proof-of-coverage.aspx">https://wcd.oregon.gov/employer/coverage/Pages/proof-of-coverage.aspx</a>
Pennsylvania	<a href="https://www.dli.pa.gov/Businesses/Compensation/WC/insurance/Pages/Workers-Compensation-Insurance-Search-Form.aspx">https://www.dli.pa.gov/Businesses/Compensation/WC/insurance/Pages/Workers-Compensation-Insurance-Search-Form.aspx</a>
Rhode Island	<a href="http://www.dlt.ri.gov/wc/fraud_coverage.htm">http://www.dlt.ri.gov/wc/fraud_coverage.htm</a>
South Carolina	<a href="https://wcc.sc.gov/insurance-and-medical-services/verify-coverage">https://wcc.sc.gov/insurance-and-medical-services/verify-coverage</a>



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## CERTIFICATES OF INSURANCE

South Dakota	<a href="http://dlr.sd.gov/workers_compensation/coverage.aspx">http://dlr.sd.gov/workers_compensation/coverage.aspx</a>
Tennessee	<a href="https://www.tn.gov/workforce/injuries-at-work.html">https://www.tn.gov/workforce/injuries-at-work.html</a>
Texas	<a href="https://www.tdi.texas.gov/wc/employer/coverage.html">https://www.tdi.texas.gov/wc/employer/coverage.html</a>
Utah	<a href="https://www.laborcommission.utah.gov/divisions/IndustrialAccidents/x_poc.html">https://www.laborcommission.utah.gov/divisions/IndustrialAccidents/x_poc.html</a>
Vermont	<a href="http://labor.vermont.gov/workers-compensation/injured-workers/does-my-employer-have-workers-comp-coverage/">http://labor.vermont.gov/workers-compensation/injured-workers/does-my-employer-have-workers-comp-coverage/</a>
Virginia	<a href="http://www.vwc.state.va.us/">http://www.vwc.state.va.us/</a>
Washington	<a href="https://secure.lni.wa.gov/verify/">https://secure.lni.wa.gov/verify/</a>
West Virginia	<a href="https://www.wvinsurance.gov/Employer-Coverage">https://www.wvinsurance.gov/Employer-Coverage</a>
Wisconsin	<a href="https://www.wcrb.org/coverage-lookup/">https://www.wcrb.org/coverage-lookup/</a>



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## COMMISSION STATEMENT

Clear Spring Property and Casualty Company will provide information concerning its practices and policies for payment of compensation to brokers and independent agents. If you would like more information regarding these practices and policies, please call 1-866-702-6998.





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## Loss Prevention Notice

Loss Control Consultant: 916-772-0943

**WARNING: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.**

### **SPECIAL ARKANSAS NOTICE:**

Clear Spring Property and Casualty Company is required by law to provide its policyholders with certain accident prevention services at no additional cost as required by Ark. Code Ann. § 11-9-409(d) and AWCC Rule 32. If you would like more information, please contact Clear Spring Property and Casualty Company's Loss Control Consultant at the number above. If you have questions concerning this requirement, call the Health and Safety Division, Arkansas Workers' Compensation Commission (800-622-4472).

### **SPECIAL CALIFORNIA NOTICE:**

California Law (Labor Code Section 6354.5) requires workers' compensation insurers to maintain and provide occupational safety and health loss control consultation services to the place of employment that pose significant preventable hazards to workers. At no charge, Loss Control consultation services will include: 1) A workplace survey including discussion with management and where appropriate, non-management personnel with permission of the employer; 2) A review of injury records with appropriate personnel; 3) The development of a plan to improve the employer's health and safety loss control experience, which shall include, where appropriate, modifications to your injury and illness prevention program established pursuant to Section 6401.7. If you would like more information regarding these programs, please contact our Loss Control Consultant at the phone number above.

### **SPECIAL FLORIDA NOTICE:**

Florida statutes require that workers' compensation insurers provide notice to insureds of the availability of a premium discount where a drug-free workplace plan is used by the employer pursuant to section 440.102 and rules adopted under such section. If you would like more information regarding safety consultation services or safety program resources, please contact our Loss Control Consultant at the phone number above.

### **SPECIAL KANSAS NOTICE:**

Clear Spring Property and Casualty Company is required pursuant to KSA 44-5,104 to maintain and offer to provide accident prevention programs upon request. These programs shall be adequate to furnish accident prevention services required by the nature of the operations of the policyholders, which include surveys, health services to implement program of accident prevention services. If you would like more information regarding these programs, please call our Loss Control Consultant at the phone number above. Any questions regarding this requirement should be referred to the Kansas Accident Prevention Unit at 1-800- 332-0353.

**SPECIAL MAINE NOTICE:**

Consistent with Maine Law (Title 24-§2385-C) Clear Spring Property and Casualty Company offers workplace health and safety consultation services to its policyholders as part of their workers' compensation insurance coverage. Upon request, safety management and engineering programs, techniques, and educational resources will be provided. If you would like more information in relation to these programs, please contact our Loss Control Consultant at the number above.

**SPECIAL MINNESOTA NOTICE:**

Clear Spring Property and Casualty Company is required, pursuant to Minnesota Statutes 79.085 Safety Programs, to provide its policyholders, upon written request, with safety and occupational health loss control consultation services. These services include 1.) Workplace surveys to identify health and safety problems, 2.) Review of employer injury records with appropriate personnel, and 3.) Development of plans to improve employer occupational health and safety loss records. If you would like more information regarding these programs, please contact our Loss Control Consultant at the phone number above.

**SPECIAL MISSISSIPPI NOTICE:**

Clear Spring Property and Casualty Company is required pursuant to MS Title 71-3-121 to establish a safety program for the health and benefit of the employees of the insured employer that explains the rights of workers under the Workers' Compensation Law and provides information on the implementation of a Drug-Free Workplace Program. If you would like more information regarding these programs, please contact our Loss Control Consultant at the phone number above.

**SPECIAL MISSOURI NOTICE:**

Pursuant to Missouri Law 287.123, Clear Spring Property and Casualty Company offers safety engineering and management services upon request to policyholders. Various safety management, techniques and educational resources are available. If you would like more information in relation to these programs, please contact our Loss Control Consultant at the phone number above.

**SPECIAL MONTANA NOTICE:**

By law, we are required to provide our policyholders with certain loss control services required under the Montana Statute section 39-71-1506. Per Montana Statute 39-71-1507, it is required that a policyholder implement a safety program. Loss Control Consultation services include, but are not limited to the following: a) onsite evaluations; b) recommendations; c) training aids; d) accident analysis to determine cause and trends. If you would like more information regarding these programs, please contact our Loss Control Consultant at the phone number above.

**SPECIAL NEW MEXICO NOTICE:**

Code 52-1-6.2 states that every employer who has workers' compensation premium liability of fifteen thousand dollars (\$15,000) or more shall receive an annual safety inspection. Upon the employer's request, as your insurer we are required to provide you with inspections and recommendations for creating a safer workplace. To enforce this provision, the director may assess a penalty not to exceed five thousand (\$5,000) against any employer. Please contact our Loss Control Consultant at the number above.

**SPECIAL OKLAHOMA NOTICE:**

Oklahoma Statute 36-6701-02 requires that as your insurance company, Clear Spring Property and Casualty Company must notify you of the availability of workplace safety services. If you would like more information, please contact our Loss Control Consultant at the phone number listed above.



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**SPECIAL OREGON NOTICE:**

The Oregon Safe Employment Act (ORS 654.001 to 654.295 and 654.991) requires employers to provide a safe and healthy workplace for their employees. Clear Spring Property and Casualty Company offers loss prevention services. These services are designed to meet the needs of the particular place of employment, special industry, or process. A listing of the various services can be found at The Oregon Occupational Safety and Health Division – Chapter 437-001-1035. Should you desire these services, please contact our Loss Control Consultant at the phone number above.

**SPECIAL PENNSYLVANIA NOTICE:**

In accordance with the Pennsylvania Workers' Compensation Act, Clear Spring Property and Casualty Company provides loss control prevention services based upon business or operations. Additionally, a 5% premium discount is available to employers who form a certified workplace safety committee as described in 34 PA. Code Chapter 129. For more information about these services contact CCMSI Loss Control Department, 2 East Main Street, Danville, IL 61832 at the phone number above.

**SPECIAL SOUTH DAKOTA NOTICE:**

South Dakota Statute section 58-20-21 requires that Insurance Companies offer policyholders workplace safety review services, including review reports with written recommendations for improved safety procedures to each of its insureds whose policy premium is five thousand dollars or more, unless the employer has five or fewer employees. If a written recommendation to correct safety deficiency pursuant § 58-20-21, including failure to post safety posters as required by § 62-2-11, and the deficiency has not been corrected at the time of a subsequent safety review, the insured is subject to an appropriate increase in premium as determined by the insurer. Please contact our Loss Control Consultant at the phone number listed above to set up your appointment.

**SPECIAL TEXAS NOTICE:**

Pursuant to Texas Labor Code §411.066, Clear Spring Property and Casualty Company, is required to notify its policyholders that accident prevention services are available from Clear Spring Property and Casualty Company at no additional charge. These services may include surveys, recommendations, training programs, consultations, analyses of accident causes, industrial hygiene, and industrial health services. Clear Spring Property and Casualty Company is also required to provide return-to-work coordination services as required by Texas Labor Code §413.021 and to notify you of the availability of the return-to-work reimbursement program for employers under Texas Labor Code §413.022. If you would like more information, contact Builders & Tradesmen's Insurance Services, Inc. at the above telephone number and [pmginspections@aol.com](mailto:pmginspections@aol.com), for accident prevention services or the above telephone number and [pmginspections@aol.com](mailto:pmginspections@aol.com), email for return-to-work coordination services. For information about these requirements call the Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) at 1-800-687-7080 or for information about the return-to-work reimbursement program for employers call the TDI-DWC at (512) 804-5000. If Clear Spring Property and Casualty Company fails to respond to your request for accident prevention services or return-to-work coordination services, you may file a complaint with the TDI-DWC in writing at <http://www.tdi.texas.gov> or by mail to Texas Department of Insurance, Division of Workers' Compensation, MS-8, at 7551 Metro Center Drive, Austin, Texas 78744-1645.



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## OFAC ADVISORY NOTICE

### U.S TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

This notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC.

The Office of Foreign Assets Control (OFAC) of the US Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under US jurisdiction. Many of the sanctions are based on United Nations and other international mandates, are multilateral in scope, and involve close cooperation with allied governments.

OFAC administers a number of different sanctions programs and uses the blocking of assets and trade restriction to accomplish foreign policy and national security goals. Included in these lists are individuals and companies owned or controlled by or acting for or on behalf of:

- Targeted Countries
- Foreign Agents
- Front Organizations
- Terrorists
- Terrorist Organizations
- Narcotics traffickers

A Sanction List Search can be found at: <https://sanctionssearch.ofac.treas.gov/>

If it is determined that you or any other insured or any person or entity claim the benefits of this insurance has violated U.S. Sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.



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## PREMIUM AUDIT ADJUSTMENTS

### **What is a “PREMIUM AUDIT ADJUSTMENT”?**

A premium audit is an examination of your business operations, records, and books of account to determine the exposures for the insurance coverages provided. If your policy qualifies, the premium audit will occur at the expiration of your policy. This audit can be performed by a physical audit, mail or phone depending on your premium size and industry.

### **Why is a Premium Audit Adjustment Necessary?**

Since your coverage with Clear Spring Property and Casualty Company is based upon variable estimates at inception, an adjustment is necessary to determine the correct classifications and payroll exposures for the coverage provided. It guarantees that you pay ONLY the amount the company is entitled to receive.

**NON-COMPLIANCE with Premium Audit Adjustments = Risk of a penalty and/or cancellation of coverage.**

### **What Records Will Be Needed?**

During examination the Auditor will ask questions about your records or business in order to fully understand the nature and extent of your exposures. An Auditor will want to examine your records which show and verify actual exposures for the coverages provided. The necessary data can be extracted from the following:

- ☐ Employee payroll records, Federal/State quarterly tax reports, and pre-tax records
- ☐ Subcontractor cost records & Certificates of Insurance for your subcontractors
- ☐ Amounts paid to Contract, Casual, or Cash labor, if any
- ☐ General Ledger, Checkbook or Check Register
- ☐ Name, job duties, gross wages, and gross overtime paid to each employee
- ☐ Separate per diem wage information from gross wages and how much is paid on a daily basis
- ☐ Profit & Loss Statement
- ☐ Officers names, amounts paid, title and percentage of ownership

**Remuneration of Payroll:** Proper records should be maintained in order for proper credits to be applied.

Remuneration means money or substitutes for money and includes:

- |  |  |
|--|--|
| <input type="checkbox"/> Wages   | <input type="checkbox"/> Payment for Piece Work                |
| <input type="checkbox"/> Bonuses   | <input type="checkbox"/> Room/Board/Lodging                    |
| <input type="checkbox"/> Holiday Pay   | <input type="checkbox"/> Holiday Pay                           |
| <input type="checkbox"/> Sick Pay  | <input type="checkbox"/> Payments made to Profit Sharing Plans |
| <input type="checkbox"/> Tool Allowances                                     | <input type="checkbox"/> Other Money Substitutes               |
| <input type="checkbox"/> Commissions   |  |
| <input type="checkbox"/> Overtime Pay – must be shown separately by employee |  |
| <input type="checkbox"/> Payments made to Benefit Plans                      |  |



N.J. Taxpayer Identification No. (if applicable):

1. The Insured: Ehrlich , Michael (An Individual)

Mailing Address: 8134 Countryside Ct, Windsor, CA, 95492

Phone #: +1-707-953-2371

Other workplaces not shown above: See attached Item 1 Named Insured & Workplaces Schedule

Previous Policy Number
New
Policy Number
CWC02801600

Entity Type: Individual

2. The policy period from 01/22/2024 to 01/22/2025 12:01 A.M. standard time at the insured's mailing address.

3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here: CA

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in Item 3A.

The limits of our liability under Part Two are: Bodily Injury by Accident \$1,000,000 each accident.

Bodily Injury by Disease \$1,000,000 policy limit.

Bodily Injury by Disease \$1,000,000 each employee.

C. Other State Insurance: Part Three of the policy applies to the states, if any, listed here:

All states except ND, OH, WA, WY and states designated in item 3A

D. This policy includes these endorsements and schedules: See attached Item 3D Endorsement Schedule

4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates, and Rating Plans. All information required below is subject to verification and change by audit.

Classifications	Code No.	Premium Basis Estimated Total Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
Plumbing—high wage	5187	\$30,000	3.99	\$1,197

Minimum Premium: \$750

\* Total Estimated Annual Premium \$1,765

Deposit Premium

Expense Constant \$300

Employer's Identification No.: 608385189

Bureau Identification No.:

☒ New ☐ Renew ☐ Rewrite of

Producer: Builders & Tradesmen's Insurance Services Inc.

Issuing Office: Clear Spring Property and Casualty  
Company

Producer Office: 6610 Sierra College Blvd., Rocklin CA 95677

**Clear Spring Property and Casualty Company**  
A Stock Insurance Company

**Workers Compensation and  
Employers Liability Insurance Policy**

Named Insured:	Ehrlich , Michael (An Individual)	Endorsement Number: 0 (Continued from Information Page)
Policy Number: CWC02801600	Policy Period: 01/22/2024 to 01/22/2025	Effective Date of Endorsement: 01/22/2024
Issued by (Name of Insurance Company): Clear Spring Property and Casualty Company		

**\*Includes Premium Charge for Terrorism**

**\*Includes Premium Charge for Catastrophe (other than Certified Acts of Terrorism)**

**Clear Spring Property and Casualty Company**  
A Stock Insurance Company

**Workers Compensation and  
Employers Liability Insurance Policy**

Named Insured:	Ehrlich , Michael (An Individual)	Endorsement Number: 0
Policy Number: CWC02801600	Policy Period: 01/22/2024 to 01/22/2025	Effective Date of Endorsement: 01/22/2024
Issued by (Name of Insurance Company): Clear Spring Property and Casualty Company		

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

**EXTENSION OF THE INFORMATION PAGE**  
**ITEM 1 - NAMED INSURED AND WORKPLACES SCHEDULE**

Name Link Code	Continuation Sequence #	FEIN	Named Insured and Address	SIC / NAICS Code	UI#	# of Employees
		608385189	Michael Ehrlich DBA Mike's Plumbing & Rooter Service, 8134 Countryside Ct, Windsor, CA, 95492			



**Clear Spring Property and Casualty Company**  
A Stock Insurance Company

**Workers Compensation and  
Employers Liability Insurance Policy**

Named Insured:	Ehrlich , Michael (An Individual)	Endorsement Number: 0
Policy Number: CWC02801600	Policy Period: 01/22/2024 to 01/22/2025	Effective Date of Endorsement: 01/22/2024
Issued by (Name of Insurance Company): Clear Spring Property and Casualty Company		

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

**EXTENSION OF THE INFORMATION PAGE**  
**ITEM 3D - ENDORSEMENT SCHEDULE**

Endorsement #	Form #	Form Title	Endorsement Effective Date	Endorsement Expiration Date
	PN 99PS	PRIVACY STATEMENT	01/22/2024	01/22/2025
	PN 99COI	CERTIFICATES OF INSURANCE	01/22/2024	01/22/2025
	PN 99CS	COMMISSION STATEMENT	01/22/2024	01/22/2025
	PN 99LCN	Loss Prevention Notice	01/22/2024	01/22/2025
	PN 99OF	OFAC ADVISORY NOTICE	01/22/2024	01/22/2025
	PN 99PA	PREMIUM AUDIT ADJUSTMENTS	01/22/2024	01/22/2025
	WC 00 00 01 A	Information Page	01/22/2024	01/22/2025
	WC 90 03 00	Ext of the Information Page - Item 1 - Named Insured & Workplace Schedule	01/22/2024	01/22/2025
	WC 90 03 01	Ext of the Information Page - Item 3D - Endorsement Schedule	01/22/2024	01/22/2025
	WC 90 04 00	Ext of the Information Page - Item 4	01/22/2024	01/22/2025
	WC 90 06 00	Ext of the Information Page – Installment Schedule	01/22/2024	01/22/2025
	WC 00 00 00 C	Workers Compensation and Employers Liability Insurance Policy	01/22/2024	01/22/2025
	WC 00 04 19	Premium Due Date Endorsement	01/22/2024	01/22/2025
	WC 04 04 22	California Short-Rate Cancellation Endorsement	01/22/2024	01/22/2025
	WC 04 06 01 A	California Cancellation Endorsement	01/22/2024	01/22/2025
	PN 04 99 01 G	Policyholder Notice	01/22/2024	01/22/2025
	PN 04 99 02 B	Policyholder Notice California Workers' Compensation Insurance Rating Laws	01/22/2024	01/22/2025
	PN 04 99 04s	Policyholder Notice California Insurance Guarantee Association (CIGA) Surcharge	01/22/2024	01/22/2025
	PN 04 99 06 D	Policyholder Notice Payroll Record and Audit Requirements for Dual Wage Construction or Erection Classifications	01/22/2024	01/22/2025
	PN 04 99 08	Policyholder Notice California Assembly Bill No. 5, Independent Contractors	01/22/2024	01/22/2025
	WC 00 04 21 D	Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement	01/22/2024	01/22/2025
	WC 00 04 22 B	Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement	01/22/2024	01/22/2025
	WC 04 03 01 D	Policy Amendatory Endorsement	01/22/2024	01/22/2025
	WC 04 03 10	Duty to Defend California	01/22/2024	01/22/2025
	WC 04 03 60 B	Employers' Liability Coverage Amendatory Endorsement – California	01/22/2024	01/22/2025
	WC 04 04 21	Optional Premium Increase Endorsement – California	01/22/2024	01/22/2025
	PN 04 99 03	Notice Required by Law – California	01/22/2024	01/22/2025
	WC 04 03 06	Waiver of Our Right to Recover From Others Endorsement – California	01/22/2024	01/22/2025

**Clear Spring Property and Casualty Company**  
A Stock Insurance Company

**Workers Compensation and  
Employers Liability Insurance Policy**

Named Insured:	Ehrlich , Michael (An Individual)	Endorsement Number: 0
Policy Number: CWC02801600	Policy Period: 01/22/2024 to 01/22/2025	Effective Date of Endorsement: 01/22/2024
Issued by (Name of Insurance Company): Clear Spring Property and Casualty Company		

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

**EXTENSION OF THE INFORMATION PAGE**  
**ITEM 4**

It is understood and agreed that Item 4 of the Information Page is amended to read as follows:

<b><u>Class Code</u></b>	<b><u>Description</u></b>	<b><u>Payroll/Count</u></b>	<b><u>Rate</u></b>	<b><u>Premium</u></b>
5187	Plumbing—high wage	30,000	3.99	1,197
0930	Blanket Waiver 0.025			750
9812	Employers Liability Increased Limits 0.011			120
9887	Schedule Modifier 0.70			-620
9740	Terrorism 0.04			12
9741	Catastrophe 0.02			6
0900	Expense Constant			300
	<b>*Estimated Annual Premium</b>			<b>1,765</b>
9999	WCARF 2.5208 %			44
9999	LECF 0.7011 %			12
9999	SIBTF 1.3703 %			24
9999	OSHAF 0.6572 %			12
9999	FRAUD 0.4679 %			8
9999	UEBTF 0.1372 %			2
9999	Policy Administration Fee			200
	<b>Total</b>			<b>2,067</b>

**\*Includes Premium Charge for Terrorism**

**\*Includes Premium Charge for Catastrophe (other than Certified Acts of Terrorism)**

**Clear Spring Property and Casualty Company**  
A Stock Insurance Company

**Workers Compensation and  
Employers Liability Insurance Policy**

Named Insured:	Ehrlich , Michael (An Individual)	Endorsement Number: 0
Policy Number: CWC02801600	Policy Period: 01/22/2024 to 01/22/2025	Effective Date of Endorsement: 01/22/2024
Issued by (Name of Insurance Company): Clear Spring Property and Casualty Company		

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

**EXTENSION OF THE INFORMATION PAGE**  
**INSTALLMENT SCHEDULE**

This policy is based on    monthly installment(s). Payment is due on the dates specified below.

Total Estimated Annual Premium

% Down Payment

Due Dates

Payment Amounts

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**

In return for the payment of the premium and subject to all terms of this policy, we agree with you as follows:

**GENERAL SECTION****A. The Policy**

This policy includes at its effective date the Information Page and all endorsements and schedules listed there. It is a contract of insurance between you (the employer named in Item 1 of the Information Page) and us (the insurer named on the Information Page). The only agreements relating to this insurance are stated in this policy. The terms of this policy may not be changed or waived except by endorsement issued by us to be part of this policy.

**B. Who is Insured**

You are insured if you are an employer named in Item 1 of the Information Page. If that employer is a partnership, and if you are one of its partners, you are insured, but only in your capacity as an employer of the partnership's employees.

**C. Workers Compensation Law**

Workers Compensation Law means the workers or workmen's compensation law and occupational disease law of each state or territory named in Item 3.A. of the Information Page. It includes any amendments to that law which are in effect during the policy period. It does not include any federal workers or workmen's compensation law, any federal occupational disease law or the provisions of any law that provide no occupational disability benefits.

**D. State**

State means any state of the United States of America, and the District of Columbia.

**E. Locations**

This policy covers all of your workplaces listed in Items 1 or 4 of the Information Page; and it covers all other workplaces in Item 3.A. states unless you have other insurance or are self-insured for such workplaces.

**PART ONE  
WORKERS COMPENSATION INSURANCE****A. How This Insurance Applies**

This workers compensation insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. Bodily injury by accident must occur during the policy period.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

**B. We Will Pay**

We will pay promptly when due the benefits required of you by the workers compensation law.

**C. We Will Defend**

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this insurance. We have the right to investigate and settle these claims, proceedings or suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance.

**D. We Will Also Pay**

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law until we offer the amount due under this insurance; and
5. expenses we incur.

**E. Other Insurance**

We will not pay more than our share of benefits and costs covered by this insurance and other

insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

#### F. **Payments You Must Make**

You are responsible for any payments in excess of the benefits regularly provided by the workers compensation law including those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation; or
4. you discharge, coerce or otherwise discriminate against any employee in violation of the workers compensation law.

If we make any payments in excess of the benefits regularly provided by the workers compensation law on your behalf, you will reimburse us promptly.

#### G. **Recovery From Others**

We have your rights, and the rights of persons entitled to the benefits of this insurance, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

#### H. **Statutory Provisions**

These statements apply where they are required by law.

1. As between an injured worker and us, we have notice of the injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance after an injury occurs.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance. Those persons may enforce our duties; so may an agency authorized by law. Enforcement may be against us or against you and us.
4. Jurisdiction over you is jurisdiction over us for purposes of the workers compensation law. We are bound by decisions against you under that law, subject to the provisions of this policy that are not in conflict with that law.
5. This insurance conforms to the parts of the

workers compensation law that apply to:

- a. benefits payable by this insurance;
- b. special taxes, payments into security or other special funds, and assessments payable by us under that law.

6. Terms of this insurance that conflict with the workers compensation law are changed by this statement to conform to that law.

Nothing in these paragraphs relieves you of your duties under this policy.

## **PART TWO**

### **EMPLOYERS LIABILITY INSURANCE**

#### A. **How This Insurance Applies**

This employers liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in a state or territory listed in Item 3.A. of the Information Page.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

#### B. **We Will Pay**

We will pay all sums that you legally must pay as damages because of bodily injury to your employees, provided the bodily injury is covered by this Employers Liability Insurance.

The damages we will pay, where recovery is permitted by law, include damages:

1. For which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against

such third party as a result of injury to your employee;

2. For care and loss of services; and
3. For consequential bodily injury to a spouse, child, parent, brother or sister of the injured employee; provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by you; and
4. Because of bodily injury to your employee that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

### C. Exclusions

This insurance does not cover:

1. Liability assumed under a contract. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
2. Punitive or exemplary damages because of bodily injury to an employee employed in violation of law;
3. Bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. Any obligation imposed by a workers compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
5. Bodily injury intentionally caused or aggravated by you;
6. Bodily injury occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;
7. Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, or any personnel practices, policies, acts or omissions;
8. Bodily injury to any person in work subject to the Longshore and Harbor Workers' Compensation Act (33 U.S.C. Sections 901 et seq.), the No appropriated Fund Instrumentalities Act (5 U.S.C. Sections 8171 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. Sections 1331 et seq.), the Defense Base Act (42 U.S.C. Sections 1651–1654), the Federal Mine Safety and Health Act (30 U.S.C. Sections 801 et seq. and 901–944), any other federal workers or workmen's compensation law or other federal occupational disease law, or any amendments to these laws;
9. Bodily injury to any person in work subject to the Federal Employers' Liability Act (45 U.S.C. Sections 51 et seq.), any other federal laws obligating an employer to pay damages to an employee due to bodily injury arising out of or in the course of employment, or any amendments to those laws;
10. Bodily injury to a master or member of the crew of any vessel, and does not cover punitive damages related to your duty or obligation to provide transportation, wages, maintenance, and cure under any applicable maritime law;
11. Fines or penalties imposed for violation of federal or state law; and
12. Damages payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. Sections 1801 et seq.) and under any other federal law awarding damages for violation of those laws or regulations issued thereunder, and any amendments to those laws.

### D. We Will Defend

We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this insurance. We have the right to investigate and settle these claims, proceedings and suits.

We have no duty to defend a claim, proceeding or suit that is not covered by this insurance. We have no duty to defend or continue defending after we have paid our applicable limit of liability under this insurance.

### E. We Will Also Pay

We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding, or suit we defend:

1. Reasonable expenses incurred at our request, but not loss of earnings;
2. Premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
3. Litigation costs taxed against you;
4. Interest on a judgment as required by law until we offer the amount due under this insurance; and
5. Expenses we incur.

**F. Other Insurance**

We will not pay more than our share of damages and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

**G. Limits of Liability**

Our liability to pay for damages is limited. Our limits of liability are shown in Item 3.B. of the Information Page. They apply as explained below.

1. **Bodily Injury by Accident.** The limit shown for “bodily injury by accident—each accident” is the most we will pay for all damages covered by this insurance because of bodily injury to one or more employees in any one accident.  
A disease is not bodily injury by accident unless it results directly from bodily injury by accident.
2. **Bodily Injury by Disease.** The limit shown for “bodily injury by disease—policy limit” is the most we will pay for all damages covered by this insurance and arising out of bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease. The limit shown for “bodily injury by disease—each employee” is the most we will pay for all damages because of bodily injury by disease to any one employee.  
Bodily injury by disease does not include disease that results directly from a bodily injury by accident.
3. We will not pay any claims for damages after we have paid the applicable limit of our liability under this insurance.

**H. Recovery From Others**

We have your rights to recover our payment from anyone liable for an injury covered by this insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

**I. Actions Against Us**

There will be no right of action against us under this insurance unless:

1. You have complied with all the terms of this policy; and

2. The amount you owe has been determined with our consent or by actual trial and final judgment. This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability. The bankruptcy or insolvency of you or your estate will not relieve us of our obligations under this Part.

**PART THREE  
OTHER STATES INSURANCE****A. How This Insurance Applies**

1. This other states insurance applies only if one or more states are shown in Item 3.C. of the Information Page.
2. If you begin work in any one of those states after the effective date of this policy and are not insured or are not self-insured for such work, all provisions of the policy will apply as though that state were listed in Item 3.A. of the Information Page.
3. We will reimburse you for the benefits required by the workers compensation law of that state if we are not permitted to pay the benefits directly to persons entitled to them.
4. If you have work on the effective date of this policy in any state not listed in Item 3.A. of the Information Page, coverage will not be afforded for that state unless we are notified within thirty days.

**B. Notice**

Tell us at once if you begin work in any state listed in Item 3.C. of the Information Page.

**PART FOUR  
YOUR DUTIES IF INJURY OCCURS**

Tell us at once if injury occurs that may be covered by this policy. Your other duties are listed here.

1. Provide for immediate medical and other services required by the workers compensation law.
2. Give us or our agent the names and addresses of the injured persons and of witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal



papers related to the injury, claim, proceeding or suit.

4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

## PART FIVE—PREMIUM

### A. Our Manuals

All premium for this policy will be determined by our manuals of rules, rates, rating plans and classifications. We may change our manuals and apply the changes to this policy if authorized by law or a governmental agency regulating this insurance.

### B. Classifications

Item 4 of the Information Page shows the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this policy.

### C. Remuneration

Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. all your officers and employees engaged in work covered by this policy; and
2. all other persons engaged in work that could make us liable under Part One (Workers Compensation Insurance) of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph 2 will not apply if you give us proof that the employers of these persons lawfully secured their workers compensation obligations.

### D. Premium Payments

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid.

### E. Final Premium

The premium shown on the Information Page, schedules, and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by this policy. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

If this policy is canceled, final premium will be determined in the following way unless our manuals provide otherwise:

1. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the pro rata share of the minimum premium.
2. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force, and increased by our short-rate cancellation table and procedure. Final premium will not be less than the minimum premium.

### F. Records

You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

### G. Audit

You will let us examine and audit all your records that relate to this policy. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records, and programs for storing and retrieving data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to determine final premium. Insurance rate service organizations have the same rights we have under this provision.

**PART SIX—CONDITIONS****A. Inspection**

We have the right, but are not obliged to inspect your workplaces at any time. Our inspections are not safety inspections. They relate only to the insurability of the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards. Insurance rate service organizations have the same rights we have under this provision.

**B. Long Term Policy**

If the policy period is longer than one year and sixteen days, all provisions of this policy will apply as though a new policy were issued on each annual anniversary that this policy is in force.

**C. Transfer of Your Rights and Duties**

Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within thirty days after your death, we will cover your legal representative as insured.

**D. Cancellation**

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. We must mail or deliver to you not less than ten days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice.
3. The policy period will end on the day and hour stated in the cancellation notice.
4. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

**E. Sole Representative**

The insured first named in Item 1 of the Information Page will act on behalf of all insureds to change this policy, receive return premium, and give or receive notice of cancellation.

**CLEAR SPRING PROPERTY AND CASUALTY COMPANY**

**A Stock Insurance Company**

**227 West Monroe, Suite 3950**

**Chicago, IL 60606**

**(866) 702-6998**

**Important Notice – Execution Clause**

In return for the payment of premium and subject to all the terms of the policy, we agree to you to provide insurance as stated in this policy. This policy shall not be valid unless countersigned by the duly authorized representative of the company.

**In Witness Whereof**, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly authorized representative.

\_\_\_\_\_  
Corporate Secretary

\_\_\_\_\_  
President

**PREMIUM DUE DATE ENDORSEMENT**

This endorsement is used to amend:

Section D. of Part Five of the policy is replaced by this provision.

**PART FIVE  
PREMIUM**

D. **Premium** is amended to read:

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid. **The due date for audit and retrospective premiums is the date of the billing.**

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

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

Endorsement Effective	01/22/2024	Policy No.	CWC02801600	Endorsement No.	0
Insured	Ehrlich , Michael (An Individual)			Premium	\$1,765
Insurance Company:	Clear Spring Property and Casualty Company				

**WC 00 04 19**  
(Ed. 1-01)

**CALIFORNIA SHORT-RATE CANCELATION ENDORSEMENT**

It is agreed that, anything in the policy to the contrary notwithstanding, such insurance as is afforded by this policy by reason of the designation of California in Item 3 of the Information Page is subject to the following provisions:

If you cancel the policy and a disclosure was provided in accordance with Section 481(c) of the California Insurance Code, final premium will be based on the time this policy was in force and increased by the short-rate cancellation table below:

Short Rate Cancellation Table

Extended Number of Days	Percent of Full Policy Premium	Extended Number of Days	Percent of Full Policy Premium	Extended Number of Days	Percent of Full Policy Premium
1	5%	95-98	37%	129-223	69%
2	6%	99-102	38%	224-228	70%
3-4	7%	103-105	39%	229-232	71%
5-6	8%	106-109	40%	233-237	72%
7-8	9%	110-113	41%	238-241	73%
9-10	10%	114-116	42%	242-246 (8 mos.)	74%
11-12	11%	117-120	43%	247-250	75%
13-14	12%	121-124 (4 mos.)	44%	251-255	76%
15-16	13%	125-127	45%	256-260	77%
17-18	14%	128-131	46%	261-264	78%
19-20	15%	132-135	47%	265-269	79%
21-22	16%	136-138	48%	270-273	80%
23-25	17%	139-142	49%	274-278	81%
26-29	18%	143-146	50%	279-282	82%
30-32 (1 mo.)	19%	147-149	51%	283-287	83%
33-36	20%	150-153	52%	288-291	84%
37-40	21%	154-156	53%	292-296	85%
41-43	22%	157-160	54%	297-301	86%
44-47	23%	161-164	55%	302-305 (9 mos.)	87%
48-51	24%	165-167	56%	306-310	88%
52-54	25%	168-171	57%	311-314	89%
55-58	26%	172-175	58%	315-319	90%
59-62 (2 mos.)	27%	176-178	59%	320-323	91%
63-65	28%	179-182 (6 mos.)	60%	324-328	92%
66-69	29%	183-187	61%	329-332	93%
70-73	30%	188-191	62%	333-337 (11 mos.)	94%
74-76	31%	192-196	63%	338-342	95%
77-80	32%	197-200	64%	343-346	96%
81-83	33%	201-205	65%	347-351	97%
84-87	34%	206-209	66%	352-355	98%
88-91 (3 mos.)	35%	210-214 (7 mos.)	67%	356-360	99%
92-94	36%	215-218	68%	361-365 (12 mos.)	100

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

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

Endorsement Effective: 01/22/2024

Policy No. CWC02801600

Endorsement No. 0

Insured Ehrlich, Michael (An Individual)

Insurance Company

Clear Spring Property and Casualty Company

**POLICYHOLDER NOTICE**  
**YOUR RIGHT TO RATING AND DIVIDEND INFORMATION**

**I. Information Available to You**

**A. Information Available from Us – CLEAR SPRING PROPERTY AND CASUALTY COMPANY**

- (1) General questions regarding your policy should be directed to:

**CLEAR SPRING PROPERTY AND CASUALTY COMPANY**  
**227 West Monroe, Suite 3950**  
**Chicago, IL 60605**  
**Telephone: (866) 702-6998**  
**[www.clearspringinsurance.com](http://www.clearspringinsurance.com)**

- (2) **Dividend Calculation.** If this is a participating policy (a policy on which a dividend may be paid), upon payment or non-payment of a dividend, we shall provide a written explanation to you that sets forth the basis of the dividend calculation. The explanation will be in clear, understandable language and will express the dividend as a dollar amount and as a percentage of the earned premium for the policy year on which the dividend is calculated.
- (3) **Claims Information.** Pursuant to Sections 3761 and 3762 of the California Labor Code, you are entitled to receive information in our claim files that affects your premium. Copies of documents will be supplied at your expense during reasonable business hours.

For claims covered under this policy, we will estimate the ultimate cost of unsettled claims for statistical purposes eighteen months after the policy becomes effective and will report those estimates to the Workers' Compensation Insurance Rating Bureau of California (WCIRB) no later than twenty months after the policy becomes effective. The cost of any settled claims will also be reported at that time. At twelve-month intervals thereafter, we will update and report to the WCIRB the estimated cost of any unsettled claims and the actual final cost of any claims settled in the interim. The amounts we report will be used by the WCIRB to compute your experience modification if you are eligible for experience rating.

**B. Information Available from the Workers' Compensation Insurance Rating Bureau of California**

- (1) The WCIRB is a licensed rating organization and the California Insurance Commissioner's designated statistical agent. As such, the WCIRB is responsible for administering the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* (USRP) and the *California Workers' Compensation Experience Rating Plan—1995* (ERP). WCIRB contact information is: WCIRB, 1221 Broadway, Suite 900, Oakland, CA 94612, Attn: Customer Service; 888.229.2472 (phone); 415.778.7272 (fax); and [customerservice@wcirb.com](mailto:customerservice@wcirb.com) (email). The regulations contained in the USRP and ERP are available for public viewing through the WCIRB's website at [wcirb.com](http://wcirb.com).
- (2) **Policyholder Information.** Pursuant to California Insurance Code (CIC) Section 11752.6, upon written request, you are entitled to information relating to loss experience, claims, classification assignments, and policy contracts as well as rating plans, rating systems, manual rules, or other information impacting your premium that is maintained in the records of the WCIRB. Complaints and Requests for Action requesting policyholder information should be forwarded to: WCIRB, 1221 Broadway, Suite 900, Oakland, CA 94612, Attn: Custodian of Records. The Custodian of Records can be reached at 415.777.0777 (phone) and 415.778.7272 (fax).
- (3) **Experience Rating Form.** Each experience rated risk may receive a single copy of its current Experience Rating Form/Worksheet free of charge by completing a Policyholder Experience Rating Worksheet Request Form on the WCIRB's website at [wcirb.com/ratesheet](http://wcirb.com/ratesheet). The Experience Rating Form/Worksheet will include a Loss-Free Rating, which is the experience modification that would have been calculated if \$0 (zero) actual losses were incurred during the experience period. This hypothetical rating calculation is provided for informational purposes only.

**II. Dispute Process**

You may dispute our actions or the actions of the WCIRB pursuant to CIC Sections 11737 and 11753.1.

**A. Our Dispute Resolution Process.**

If you are aggrieved by our decision adopting a change in a classification assignment that results in increased premium, or by the application of our rating system to your workers' compensation insurance, you may dispute these matters with us. If you are dissatisfied with the outcome of the initial dispute with us, you may send us a written Complaint and Request for Action as outlined below.

You may send us a written Complaint and Request for Action requesting that we reconsider a change in a classification assignment that results in an increased premium and/or requesting that we review the manner in which our rating system has been applied in connection with the insurance afforded or offered you. Written Complaints and Requests for Action should be forwarded to: **CLEAR SPRING PROPERTY AND CASUALTY COMPANY, 227 West Monroe, Suite 3950, Chicago, IL 60605, Telephone: (866) 702-6998, [www.clearspringinsurance.com](http://www.clearspringinsurance.com).**

After you send your Complaint and Request for Action, we have 30 days to send you a written notice indicating whether or not your written request will be reviewed. If we agree to review your request, we must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If we decline to review your

request, if you are dissatisfied with the decision upon review, or if we fail to grant or reject your request or issue a decision upon review, you may appeal to the Insurance Commissioner as described in paragraph II.C., below.

- B. Disputing the Actions of the WCIRB.** If you have been aggrieved by any decision, action, or omission to act of the WCIRB, you may request, in writing, that the WCIRB reconsider its decision, action, or omission to act. You may also request, in writing, that the WCIRB review the manner in which its rating system has been applied in connection with the insurance afforded or offered you. For requests related to classification disputes, the reporting of experience, or coverage issues, your initial request for review must be received by the WCIRB within 12 months after the expiration date of the policy to which the request for review pertains, except if the request involves the application of the Revision of Losses rule. For requests related to your experience modification, your initial request for review must be received by the WCIRB within 6 months after the issuance, or 12 months after the expiration date, of the experience modification to which the request for review pertains, whichever is later, except if the request for review involves the application of the Revision of Losses rule. If the request involves the Revision of Losses rule, the time to state your appeal may be longer. (See Section VI, Rule 7 of the ERP).

You may commence the review process by sending the WCIRB a written Inquiry. Written Inquiries should be sent to: WCIRB, 1221

Broadway, Suite 900, Oakland, CA 94612, Attn: Customer Service. Customer Service can be reached at 888.229.2472 (phone),

415.778.7272 (fax) and [customerservice@wcirb.com](mailto:customerservice@wcirb.com) (email).

If you are dissatisfied with the WCIRB's decision upon an Inquiry, or if the WCIRB fails to respond within 90 days after receipt of the Inquiry, you may pursue the subject of the Inquiry by sending the WCIRB a written Complaint and Request for Action. After you send your Complaint and Request for Action, the WCIRB has 30 days to send you written notice indicating whether or not your written request will be reviewed. If the WCIRB agrees to review your request, it must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If the WCIRB declines to review your request, if you are dissatisfied with the decision upon review, or if the WCIRB fails to grant or reject your request or issue a decision upon review, you may appeal to the Insurance Commissioner as described in paragraph II.C., below. Written Complaints and Requests for Action should be forwarded to: WCIRB, 1221 Broadway, Suite 900, Oakland, CA 94612, Attn: Complaints and Reconsideration. The WCIRB's contact information is 888.229.2472 (phone), 415.371.5204 (fax) and [customerservice@wcirb.com](mailto:customerservice@wcirb.com) (email).

- C. California Department of Insurance – Appeals to the Insurance Commissioner.** After you follow the appropriate dispute resolution process described above, if (1) we or the WCIRB decline to review your request, (2) you are dissatisfied with the decision upon review, or (3) we or the WCIRB fail to grant or reject your request or issue a decision upon review, you may appeal to the Insurance Commissioner pursuant to CIC Sections 11737, 11752.6, 11753.1 and Title 10, California Code of Regulations, Section 2509.40 et seq. You must file your appeal within 30 days after we or the WCIRB send you the notice rejecting review of your Complaint and Request for Action or the decision upon your Complaint and Request for Action. If no written decision regarding your Complaint and Request for Action is sent, your appeal must be filed within 120 days after you sent your Complaint and Request for Action to us or to the WCIRB. The filing address for all appeals to the Insurance Commissioner is:

Administrative Hearing Bureau  
California Department of Insurance  
45 Fremont Street, 22nd Floor  
San Francisco, CA 94105  
415.538.4102

You have the right to a hearing before the Insurance Commissioner, and our action, or the action of the WCIRB, may be affirmed, modified or reversed.

### III. Resources Available to You in Obtaining Information and Pursuing Disputes

- A. Policyholder Ombudsman.** Pursuant to California Insurance Code Section 11752.6, a policyholder ombudsman is available at the WCIRB to assist you in obtaining and evaluating the rating, policy, and claims information referenced in I.A. and I.B., above. The ombudsman may advise you on any dispute with us, the WCIRB, or on an appeal to the Insurance Commissioner pursuant to Section 11737 of the Insurance Code. The address of the policyholder ombudsman is WCIRB, 1221 Broadway, Suite 900, Oakland, CA 94612, Attn: Policyholder Ombudsman. The policyholder ombudsman can be reached at 415.778.7159 (phone), 415.371.5288 (fax) and [ombudsman@wcirb.com](mailto:ombudsman@wcirb.com) (email).
- B. California Department of Insurance – Information and Assistance.** Information and assistance on policy questions can be obtained from the Department of Insurance Consumer HOTLINE, 800.927.HELP (4357) or [insurance.ca.gov](http://insurance.ca.gov). For questions and correspondence regarding appeals to the Administrative Hearing Bureau, see the contact information in paragraph II.C.

This notice does not change the policy to which it is attached.

## **POLICYHOLDER NOTICE**

### **CALIFORNIA WORKERS' COMPENSATION INSURANCE RATING LAWS**

Pursuant to Section 11752.8 of the California Insurance Code, we are providing you with an explanation of the California workers' compensation rating laws.

1. We establish our own rates for workers' compensation. Our rates, rating plans and related information are filed with the Insurance Commissioner and are open for public inspection.
2. The Insurance Commissioner can disapprove our rates, rating plans or classifications only if he or she has determined after public hearing that our rates might jeopardize our ability to pay claims or create a monopoly in the market. A monopoly is defined by law as a market where one insurer writes 20% or more of that part of the California workers' compensation insurance that is not written by the State Compensation Insurance Fund. If the Insurance Commissioner disapproves our rates, rating plans or classifications, he or she may order an increase in the rates applicable to outstanding policies.
3. Rating organizations may develop pure premium rates that are subject to the insurance commissioner's approval. A pure premium rate reflects the anticipated cost and expenses of claims per \$100 of payroll for a given classification. Pure premium rates are advisory only, as we are not required to use the pure premium rates developed by any rating organization in establishing our own rates.
4. We must adhere to a single, uniform experience rating plan. If you are eligible for experience rating under the plan, we will be required to adjust your premium to reflect your claim history. A better claim history generally results in a lower experience rating modification; more claims, or more expensive claims, generally result in a higher experience rating modification. The uniform experience rating plan, which is developed by the insurance rating organization designated by the insurance commissioner, is subject to approval by the insurance commissioner.
5. A standard classification system developed by the insurance rating organization designated by the insurance commissioner, is subject to approval by the insurance commissioner. The standard classification system is a method of recognizing and separating policyholders into industry or occupational groups according to their similarities and/or differences. We can adopt and apply the standard classification system or develop and apply our own classification system, provided we can report the payroll, expenses and other costs of claims in a way that is consistent with the uniform statistical plan or the standard classification system.
6. Our rates and classifications may not violate the Unruh Civil Rights Act or be unfairly discriminatory.
7. We will provide an appeal process for you to appeal the way we rate your insurance policy. The process requires us to respond to your written appeal within 30 days. If you are not satisfied with the result of your appeal, you may appeal our decision to the insurance commissioner.

### **CALIFORNIA WORKERS' COMPENSATION INSURANCE NOTICE OF NON-RENEWAL**

Section 11664 of the California Insurance Code requires us, in most instances, to provide you with a notice of non-renewal. Except as specified in paragraphs 1 through 6 below, if we elect to nonrenew your policy, we are required to deliver or mail to you a written notice stating the reason or reasons for the nonrenewal of the policy. The notice is required to be sent to you no earlier than 120 days before the end of the policy period and no later than 30 days before the end of the policy period. If we fail to provide you the required notice, we are required to continue the coverage under the policy with no change in the premium rate until 60 days after we provide you with the required notice.

We are not required to provide you with a notice of nonrenewal in any of the following situations:

1. Your policy was transferred or renewed without change in its terms or conditions or the rate on which the premium is based to another insurer or other insurers who are members of the same insurance group as us.
2. The policy was extended for 90 days or less and the required notice was given prior to the extension.
3. You obtained replacement coverage or agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
4. The policy is for a period of no more than 60 days and you were notified at the time of issuance that it may not be renewed.
5. You requested a change in the terms or conditions or risks covered by the policy within 60 days prior to the end of the policy period.
6. We made a written offer to you to renew the policy at a premium rate increase of less than 25 percent.
  - (A) If the premium rate in your governing classification is to be increased 25 percent or greater and we intend to renew the policy, we shall provide a written notice of a renewal offer not less than 30 days prior to the policy renewal date. The governing classification shall be determined by the rules and regulations established in accordance with California Insurance Code Section 11750.3(c).
  - (B) For purposes of this Notice, "premium rate" means the cost of insurance per unit of exposure prior to the application of individual risk variations based on loss or expense considerations such as scheduled rating and experience rating.

This notice does not change the policy to which it is attached.



**POLICYHOLDER NOTICE**  
**PAYROLL RECORD AND AUDIT REQUIREMENTS FOR**  
**DUAL WAGE CONSTRUCTION OR ERECTION CLASSIFICATIONS**

Your policy includes one or more construction or erection classifications. Dual wage classifications are pairs of classifications that describe the same construction or erection operation yet are assigned based upon whether the employee's hourly wage is above or below a specified threshold. Each pair of dual wage classifications contains one "high wage" classification that is assignable to payrolls earned by employees whose regular hourly wage equals or exceeds a specified wage threshold and one "low wage" classification that is assignable to payrolls earned by employees whose regular hourly wage is less than the specified threshold.

**Payroll Record Requirements**

The assignment of a high wage classification is contingent on verifying that the employee's hourly wage equals or exceeds the specified wage threshold. The determination of the regular hourly wage for any non-salaried employee must be supported by one of the following sources:

- Original time cards or time book entries for each employee. Original records must include the operations performed, the total hours worked each day and the times the employee started and ended each work period throughout the workday. At job locations where all of the employer's operations cease for a uniform unpaid meal period, recording the start and stop times of the uniform break period is not required.
- A valid collective bargaining agreement that shows the regular hourly wage rate by job classification of a worker. If using a collective bargaining agreement, the records must include an employee roster by job classification that permits the reconciliation of individual employees to the job classifications set forth in the collective bargaining agreement.

The non-salaried employee's regular hourly wage shall be determined by dividing that employee's total remuneration by the hours worked during the pay period, irrespective of whether the employee is paid on an hourly, piecework, production or commission basis.

The payroll earned by any non-salaried employees for whom the records specified above are not maintained and/or made available will be assigned to the low wage classification that describes the operations performed.

The regular hourly wage of salaried employees is determined by dividing the total annual remuneration by 2000 hours. If an employee is salaried for less than 12 months, the regular hourly wage for the salaried period is calculated on a prorated basis.

**Audit Requirements**

If your policy has an effective date on or after January 1, 2020 and produces a final premium of \$10,500 or more, a physical audit is required at least once a year; if it produces a final premium of less than \$10,500 and develops payroll in a high wage classification, a physical audit of the policy is required unless the policy is a renewal and a physical audit was completed for one of the two immediately preceding policy periods. A "physical audit" is defined as an audit of payroll, whether conducted at the policyholder's location or at a remote site, that is based upon an auditor's examination of the policyholder's books of accounts and original payroll records (in either electronic or hard copy form) as necessary to determine and verify the exposure amounts by classification.

If you hold a C-39 Roofing Contractor license from the California Contractors State License Board, a physical audit is required on the complete policy period of each policy regardless of the amount of final premium. See California Insurance Code Section 11665(a) for additional requirements regarding the audit of C-39 license holders.

**POLICYHOLDER NOTICE**  
**CALIFORNIA ASSEMBLY BILL NO. 5, INDEPENDENT CONTRACTORS**

**Summary of Assembly Bill No. 5 (AB 5)**

For the purposes of wages, workers' compensation and other benefits, AB 5 creates a presumption that an entity's workers are employees unless the hiring entity can show that the worker meets three conditions, known as the "ABC Test". With respect to workers' compensation, AB 5 goes into effect on **July 1, 2020** and applies to policies issued on or after **July 1, 2020**, as well as policies in force as of **July 1, 2020**.

The bill adds Section 2750.3 to the California Labor Code, which provides in pertinent part:

**2750.3.**

(a)(1) For purposes of the provisions of this code and the Unemployment Insurance Code, and for the wage orders of the Industrial Welfare Commission, a person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied:

(A) The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.

(B) The person performs work that is outside the usual course of the hiring entity's business.

(C) The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

(2) Notwithstanding paragraph (1), any exceptions to the terms "employee," "employer," "employ," or "independent contractor," and any extensions of employer status or liability, that are expressly made by a provision of this code, the Unemployment Insurance Code, or in an applicable order of the Industrial Welfare Commission, including, but not limited to, the definition of "employee" in subdivision 2(E) of Wage Order No. 2, shall remain in effect for the purposes set forth therein.

(3) If a court of law rules that the three-part test in paragraph (1) cannot be applied to a particular context based on grounds other than an express exception to employment status as provided under paragraph (2), then the determination of employee or independent contractor status in that context shall instead be governed by the California Supreme Court's decision in *S.G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989) 48 Cal.3d 341.

AB 5 also provides an extensive list of occupations that are exempt from the application of Section 2750.3(a)(1). These exemptions are subject to revision. In addition, AB 5 amends Section 3351 of the California Labor Code and Sections 606.5 and 621 of the Unemployment Insurance Code. The pertinent sections of the California Labor Code and Unemployment Insurance Code may be accessed at <http://leginfo.legislature.ca.gov>. You may also access the California Labor & Workforce Development Agency webpage at <https://www.labor.ca.gov/employmentstatus/> for more information.

This notice does not change the policy to which it is attached

**CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT**

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

For purposes of this endorsement, the following definitions apply:

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

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

**Schedule**

State	Rate	Premium
CA	3.99	\$1,197

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

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

Endorsement Effective 01/22/2024      Policy No. CWC02801600      Endorsement No. 0

Insured Ehrlich , Michael (An Individual)      Premium \$1,765

Insurance Company: Clear Spring Property and Casualty Company

**WC 00 04 21 D**  
(Ed. 1-15)

**TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT**

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

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

**Definitions**

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto, including any amendments resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2015.

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured Loss" means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

"Insurer Deductible" means, for the period beginning on January 1, 2015, and ending on December 31, 2020, an amount equal to 20% of our direct earned premiums, during the immediately preceding calendar year.

**Limitation of Liability**

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a calendar year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

**Policyholder Disclosure Notice**

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed:
  - a. \$100,000,000, with respect to such Insured Losses occurring in calendar year 2015, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
  - b. \$120,000,000, with respect to such Insured Losses occurring in calendar year 2016, the United States Government would pay 84% of our Insured Losses that exceed our Insurer Deductible.
  - c. \$140,000,000, with respect to such Insured Losses occurring in calendar year 2017, the United States Government would pay 83% of our Insured Losses that exceed our Insurer Deductible.
  - d. \$160,000,000, with respect to such Insured Losses occurring in calendar year 2018, the United States Government would pay 82% of our Insured Losses that exceed our Insurer Deductible.
  - e. \$180,000,000, with respect to such Insured Losses occurring in calendar year 2019, the United States Government would pay 81% of our Insured Losses that exceed our Insurer Deductible.

- f. \$200,000,000, with respect to such Insured Losses occurring in calendar year 2020, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.
2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

**Schedule**

<b>State</b>	<b>Rate</b>	<b>Premium</b>
CA	3.99	\$1,197

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

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

Endorsement Effective 01/22/2024 Policy No. CWC02801600 Endorsement No. 0

Insured Ehrlich , Michael (An Individual) Premium \$1,765

Insurance Company: Clear Spring Property and Casualty Company

**WC 00 04 22 B**

(Ed. 1-15)

**POLICY AMENDATORY ENDORSEMENT—CALIFORNIA**

It is agreed that, anything in the policy to the contrary notwithstanding, such insurance as is afforded by this policy by reason of the designation of California in Item 3 of the Information Page is subject to the following provisions:

1. **Minors Illegally Employed – Not Insured.** This policy does not cover liability for additional compensation imposed on you under Section 4557, Division IV, Labor Code of the State of California, by reason of injury to an employee under sixteen years of age and illegally employed at the time of injury.
2. **Punitive or Exemplary Damages – Uninsurable.** This policy does not cover punitive or exemplary damages where insurance of liability therefor is prohibited by law or contrary to public policy.
3. **Increase in Indemnity Payment – Reimbursement.** You are obligated to reimburse us for the amount of increase in indemnity payments made pursuant to Subdivision (d) of Section 4650 of the California Labor Code, if the late indemnity payment which gives rise to the increase in the amount of payment is due less than seven (7) days after we receive the completed claim form from you. You are obligated to reimburse us for any increase in indemnity payments not covered under this policy and will reimburse us for any increase in indemnity payment not covered under the policy when the aggregate total amount of the reimbursement payments paid in a policy year exceeds one hundred dollars (\$100).

If we notify you in writing, within 30 days of the payment, that you are obligated to reimburse us, we will bill you for the amount of increase in indemnity payment and collect it no later than the final audit. You will have 60 days, following notice of the obligation to reimburse, to appeal the decision of the insurer to the Department of Insurance.

4. **Application of Policy.** Part One, "Workers Compensation Insurance", A, "How This Insurance Applies", is amended to read as follows:

This workers compensation insurance applies to bodily injury by accident or disease, including death resulting therefrom. Bodily injury by accident must occur during the policy period. Bodily injury by disease must be caused or aggravated by the conditions of your employment. Your employee's exposure to those conditions causing or aggravating such bodily injury by disease must occur during the policy period.

5. **Rate Changes.** The premium and rates with respect to the insurance provided by this policy by reason of the designation of California in Item 3 of the Information Page are subject to change if ordered by the Insurance Commissioner of the State of California pursuant to Section 11737 of the California Insurance Code.
6. **Long Term Policy.** If this policy is written for a period longer than one year, all the provisions of this policy shall apply separately to each consecutive twelve-month period or, if the first or last consecutive period is less than twelve months, to such period of less than twelve months, in the same manner as if a separate policy had been written for each consecutive period.
7. **Statutory Provision.** Your employee has a first lien upon any amount which becomes owing to you by us on account of this policy, and in the case of your legal incapacity or inability to receive the money and pay it to the claimant, we will pay it directly to the claimant.
8. Part Five, "Premium", E, "Final Premium", is amended to read as follows:

The premium shown on the Information Page, schedules, and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual, not the estimated, premium basis and the proper classifications and rates that lawfully apply to the business and work covered by this policy. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

If this policy is canceled, final premium will be determined in the following way unless our manuals provide otherwise:

- a. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the pro rata share of the minimum premium.
- b. If you cancel, final premium may be more than pro rata; it will be based on the time this policy was in force, and may be increased by our short-rate cancellation table and procedure. Final premium will not be less than the pro rata share of the minimum premium.

It is further agreed that this policy, including all endorsements forming a part thereof, constitutes the entire contract of insurance. No condition, provision, agreement, or understanding not set forth in this policy or such endorsements shall affect such contract or any rights, duties, or privileges arising therefrom.

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

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

Endorsement Effective: 1/22/2024

Policy No. CWC02801600

Endorsement No. 0

Insured Ehrlich , Michael (An Individual)

Insurance Company Clear Spring Property and Casualty Company

**DUTY TO DEFEND—CALIFORNIA**

The insurance afforded by Part One, Section C, **“We Will Defend”**, is hereby deleted and replaced with the following:

**WE WILL DEFEND**

We have the right and duty to defend at our expense any claim or proceeding against you before the California Workers' Compensation Appeals Board or its equivalent in any other state (and any appeal of a decision therefrom) for the benefits payable by this workers' compensation insurance. We have the right to investigate and settle these claims or proceedings.

We have no duty to defend a claim, proceeding, or suit that is not covered by this insurance.

Nothing contained in this Section shall amend, modify, restrict, or otherwise alter any obligations or conditions under Part Two – Employer's Liability Insurance of the policy.

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

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

Endorsement Effective: 1/22/2024

Policy No. CWC02801600

Endorsement No. 0

Insured Ehrlich , Michael (An Individual)

Insurance Company Clear Spring Property and Casualty Company



**EMPLOYERS' LIABILITY COVERAGE AMENDATORY ENDORSEMENT-CALIFORNIA**

The insurance afforded by Part Two (Employers' Liability Insurance) by reason of designation of California in item 3 of the information page is subject to the following provisions:

**A. "How This Insurance Applies,"** is amended to read as follows:

**A. How This Insurance Applies**

This employers' liability insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury means a physical injury, including resulting death.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in California.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the original suit and any related legal actions for damages for bodily injury by accident or by disease must be brought in the United States of America, its territories or possessions, or Canada.

**C. The "Exclusions" section is modified as follows (all other exclusions in the "Exclusions" section remain as is):**

1. Exclusion 1 is amended to read as follows:

1. liability assumed under a contract.

2. Exclusion 2 is deleted.

3. Exclusion 7 is amended to read as follows:

7. damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, termination of employment, or any personnel practices, policies, acts or omissions.

4. The following exclusions are added:

1. bodily injury to any member of the flying crew of any aircraft.
2. bodily injury to an employee when you are deprived of statutory or common law defenses or are subject to penalty because of your failure to secure your obligations under the workers' compensation law(s) applicable to you or otherwise fail to comply with that law.
3. liability arising from California Labor Code Section 2810.3 which relates to labor contracting.

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

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

Endorsement Effective: 1/22/2024

Policy No. CWC02801600

Endorsement No. 0

Insured Ehrlich, Michael (An Individual)

Insurance Company Clear Spring Property and Casualty Company

**OPTIONAL PREMIUM INCREASE ENDORSEMENT—CALIFORNIA**

You must provide us, or our authorized representative, access to records necessary to perform a payroll verification audit. If you fail to provide access within 90 days after expiration of the policy, you are liable to pay a total premium equal to 3 times our current estimate of the annual premium for your policy. In addition, if you fail to provide access after our third request within a 90 day or longer period, you are also liable for our costs in attempting to perform the audit unless you provide a compelling business reason for your failure.

We will contact you to schedule appointments during normal business hours.

We will notify you of your failure to provide access by mailing a certified, return-receipt document stating the increased premium and the total amount of our costs incurred in our attempt(s) to perform an audit. In addition to any other obligations under this contract, 30 days after you receive the notification, you will be obligated to pay the total premium and costs referenced above. If, thereafter, you provide access to your records within three years after the policy expires, or within another mutually agreed upon time, and we succeed in performing the audit to our satisfaction, we will revise your total premium and the costs due to reflect the results of the audit.

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

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

Endorsement Effective: 1/22/2024

Policy No. CWC02801600

Endorsement No. 0

Insured Ehrlich , Michael (An Individual)

Insurance Company Clear Spring Property and Casualty Company

**NOTICE REQUIRED BY LAW – CALIFORNIA**

Since our offer to renew your coverage reflects a premium rate increase of 25 percent or more in your governing classification, California law (Insurance Code section 11664) requires us to send you a “notice of nonrenewal”, even though we do intend to renew your policy. This constitutes the required notice. For purposes of this Notice, premium rate means the cost of insurance per unit of exposure prior to the application of individual risk variations based on loss or expense considerations such as scheduled rating and experience rating.

Insured	<u>Ehrlich , Michael (An Individual)</u>	Date of Notice	<u>01/22/2024</u>
Policy No.	<u>CWC02801600</u>	Policy Period	<u>01/22/2024 to 01/22/2025</u>

**POLICYHOLDER NOTICE**

**CALIFORNIA INSURANCE GUARANTEE ASSOCIATION (CIGA) SURCHARGE**

Companies writing property and casualty insurance business in California are required to participate in the California Insurance Guarantee Association. If a company becomes insolvent, the California Insurance Guarantee Association settles unpaid claims and assesses each insurance company for its fair share.

California law requires all companies to surcharge policies to recover these assessments. If your policy is surcharged, "CA Surcharge" or "CA Surcharge (CIGA Surcharge)" with an amount will be displayed on your premium notice.

This notice does not change the policy to which it is attached.

Insured	<u>Ehrlich , Michael (An Individual)</u>	Date of Notice	<u><b>01/22/2024</b></u>
Policy No.	<u>CWC02801600</u>	Policy Period	<u>01/22/2024 to 01/22/2025</u>

**CALIFORNIA CANCELATION ENDORSEMENT**

This endorsement applies only to the insurance provided by the policy because California is shown in Item 3.A. of the Information Page.

The cancellation condition in Part Six (Conditions) of the policy is replaced by these conditions:

**Cancellation:**

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy for one or more of the following reasons:
  - a. Non-payment of premium;
  - b. Failure to report payroll;
  - c. Failure to permit us to audit payroll as required by the terms of this policy or of a previous policy issued by us;
  - d. Failure to pay any additional premium resulting from an audit of payroll required by the terms of this policy or any previous policy issued by us;
  - e. Material misrepresentation made by you or your agent;
  - f. Failure to cooperate with us in the investigation of a claim;
  - g. Failure to comply with Federal or State safety orders;
  - h. Failure to comply with written recommendations of our designated loss control representatives;
  - i. The occurrence of a material change in the ownership of your business;
  - j. The occurrence of any change in your business or operations that materially increases the hazard for frequency or severity of loss;
  - k. The occurrence of any change in your business or operation that requires additional or different classification for premium calculation;
  - l. The occurrence of any change in your business or operation which contemplates an activity excluded by our reinsurance treaties.
3. If we cancel your policy for any of the reasons listed in (a) through (f), we will give you 10 days advance written notice, stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Information Page will be sufficient to prove notice. If we cancel your policy for any of the reasons listed in Items (g) through (l), we will give you 30 days advance written notice; however, we agree that in the event of cancellation and reissuance of a policy effective upon a material change in ownership or operations, notice will not be provided.
4. The policy period will end on the day and hour stated in the cancellation notice.

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

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

Endorsement Effective: 01/22/2024  
Insured Ehrlich, Michael (An Individual)

Policy No. CWC02801600  
Insurance Company

Endorsement No. 0  
Clear Spring Property and Casualty Company

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT—CALIFORNIA**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 0.025 % of the California workers' compensation premium otherwise due on such remuneration.

**Schedule****Person or Organization****Job Description**

ANY PERSON OR ORGANIZATION AS REQUIRED BY  
WRITTEN CONTRACT

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

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

Endorsement Effective: 01/22/2024

Policy No. CWC02801600

Endorsement No. 0

Insured Ehrlich , Michael (An Individual)

Insurance Company

Clear Spring Property and Casualty Company