



**Policy Information Page**

**[1] Named Insured and Mailing Address**

Dana Point Condo Association  
1519 E. Central Rd  
Arlington Heights, IL 60005

**Agency**

BRADISH ASSOCIATES LTD  
215 N. Arlington Hts. Rd.  
Arlington Heights, IL 60004  
Agency Code: ILBRAD10

**Federal Employer's ID** 36-3125426

**Insured is** Association

**[2] Policy Period**

From October 16, 2012 to October 16, 2013, 12:01 AM, standard time at the insured's mailing address.

**[3] Coverage**

A. Workers' Compensation Insurance - **Part One** of this policy applies to the Workers' Compensation Law of the following states: Illinois

B. Employer's Liability Insurance - **Part Two** of this policy applies to work in each of the states listed in item [3]A. The limits of our liability under Part Two are:

Bodily Injury by Accident - each accident	\$500,000
Bodily Injury by Disease - each employee	\$500,000
Bodily Injury by Disease - policy limit	\$500,000

C. Other States Insurance - Part Three of this policy applies to all states, except any state listed in item [3]A. and the states of North Dakota, Ohio, Washington, and Wyoming.

D. This policy includes these endorsements and schedules:

See Extension of Information Page - Schedule of Forms

**[4] Premium**

The Premium Basis and, therefore, the premium will be determined by our Manual of Rules, Classifications, Rates, and Rating Plans. All required information is subject to verification and change by audit. (Continued on another page)

<b>Total Estimated Policy Premium</b>	<b>\$</b>	<b>7,485</b>
<b>Total Surcharges/Assessments</b>	<b>\$</b>	<b>76</b>
<b>Total Estimated Cost</b>	<b>\$</b>	<b>7,561</b>

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**Policy Information Page**

**Extension of Information Page**

**Schedule of Forms**

WC 000403 - EXPERIENCE RATING MODIFICATION FACTOR  
WC 000414 - NOTIFICATION OF CHANGE IN OWNERSHIP ENDT  
WC 000422A - TERR RISK INS PROG REAUTHORIZATION ACT  
WC 000421C - CATASTROPHE(OTHER THAN CERT ACTS OF TERR  
WC 000406A - PREMIUM DISCOUNT ENDORSEMENT  
WC 120602A - IL MEDICAL BENEFITS DEDUCTIBLE ENDT.  
WC 990005 - IL NOTICE OF CONTACT FOR COMPLAINTS  
WC 990007 - IL WC COMMISSION OPER. FUND SURCHARGE  
WC 120306A - IL WC INSURANCE POLICY EXCLUSION END.  
WC 000001A - INFORMATION PAGE  
WC 000000B - STANDARD POLICY  
WC 000419 - PREMIUM DUE DATE ENDORSEMENT



**Policy Information Page**

**[4] Premium (cont.)**

**Illinois**

Classification	Code	Premium Basis: Total Estimated Annual Remuneration	Rate per \$100 Remuneration	Estimated Annual Premium
Effective: 10/16/2012-10/16/2013				
BUILDING - OPER. BY OWNER/LESSEE	9015	136,500.00	4.93	6,729
Increased Limits Emp Liability 500000/500000/500000	9807		1.700%	114
Rate Deviation	9037		2.500%	171
\$1,000 Medical Deductible	9664		1.700	-114
Experience Modification	9898		1.070	483
Tot Est Premium 10/16/2012-10/16/2013				7,383
Premium Discount	0063		3.522%	-260
Minimum Premium \$1,000				
Tot Est Standard Premium for Illinois				7,123

**Policy Totals**

Total Estimated Standard Premium for Illinois	7,123
Expense Constant	280
Terrorism IL 9740 0.05 136,500	68
Catastrophe 9741 0.01 136,500	14
Minimum Premium IL \$1,100	
Total Estimated Annual Premium	7,485
IL Industrial Commission Operation Fund 10/16/2012-10/16/2013 1.0100%	76
Total Estimated Cost for DAWC337853	7,561

Countersigned \_\_\_\_\_, at \_\_\_\_\_

by \_\_\_\_\_  
(Authorized Representative)



**Policy Information Page**

**Policy Payment Terms**

Payment Option: Direct Bill

Payment is due in our office on the  
dates shown below.

Installment Plan  
(prepared 10/15/2012)

Down Payment received 10/12/2012 - \$1,917.75

<b>Installments*</b>	<b>Due Date</b>
1,862.75	01/16/2013
1,890.25	04/17/2013
1,890.25	07/17/2013

\*Includes surcharges and state fees, if any.  
Installment fees (not included above) will also be  
charged with each installment due, unless the  
account is prepaid.

If a check is returned due to insufficient funds, a  
fee of \$20 will be assessed.

Payments received after the due date may be  
subject to a \$10 Late Fee.

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**

WC 00 04 03

**EXPERIENCE RATING MODIFICATION FACTOR ENDORSEMENT**

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on (DATE) at 12:01 A.M. standard time, forms a part of

Policy No. DAWC337853 Endorsement No.

of the (NAME OF INSURANCE COMPANY)

issued to

Premium (if any) \$ \_\_\_\_\_ Authorized Representative

The premium for the policy will be adjusted by an experience rating modification factor. The factor was not available when the policy was issued. The factor, if any, shown on the Information Page is an estimate. We will issue an endorsement to show the proper factor, if different from the factor shown, when it is calculated.

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**

WC 00 04 06 A

**PREMIUM DISCOUNT ENDORSEMENT**

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on at 12:01 A.M. standard time, forms a part of  
(DATE)

Policy No. DAWC337853 Endorsement No.

of the (NAME OF INSURANCE COMPANY)

issued to

Premium (if any) \$ \_\_\_\_\_  
Authorized Representative

The premium for this policy and the policies, if any, listed in Item 3. of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in Items 1. or 2. of the Schedule. The final calculation of premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

**Schedule****1. State****Estimated Eligible Premium**

	First \$10,000	Next \$190,000	Next \$1,550,000	Balance
Illinois		10.9	12.6	14.4

2. Average percentage discount: \_\_\_\_\_ %

3. Other policies:

4. If there are no entries in Items 1., 2. and 3., of the Schedule, see the Premium Discount Endorsement attached to your policy number:

WC 576  
(8-95)

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**

WC 00 04 14 (Ed. 7-90)

**NOTIFICATION OF CHANGE IN OWNERSHIP ENDORSEMENT**

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on \_\_\_\_\_ at 12:01 A.M. standard time, forms a part of  
(DATE)

Policy No. DAWC337853 of the \_\_\_\_\_  
(NAME OF INSURANCE COMPANY)

issued to \_\_\_\_\_  
\_\_\_\_\_  
Authorized Representative

Experience rating is mandatory for all eligible insureds. The experience rating modification factor, if any, applicable to this policy, may change if there is a change in your ownership or in that of one or more of the entities eligible to be combined with you for experience rating purposes. Change in ownership includes sales, purchases, other transfers, mergers, consolidations, dissolutions, formations of a new entity and other changes provided for in the applicable experience rating plan manual.

You must report any change in ownership to us in writing within 90 days of such change. Failure to report such changes within this period may result in revision of the experience rating modification factor used to determine your premium.

**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  
Insured

Policy No. DAWC337853

Endorsement No.  
Premium \$

Insurance Company

Countersigned by \_\_\_\_\_

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

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

For purposes of this endorsement, the following definitions apply:

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

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

**Schedule**

<b>State</b>	<b>Rate</b>	<b>Premium</b>
IL	0.010	14.00

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

Endorsement Effective  
Insured

Policy No. DAWC337853

Endorsement No.  
Premium:

Insurance Company

Countersigned by \_\_\_\_\_

**WC 00 04 21 C**  
(Ed. 9-08)

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

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

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

**Definitions**

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

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

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States as meeting all of the following requirements:

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

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

“Insurer Deductible” means, for the period beginning on January 1, 2008, and ending on December 31, 2014, an amount equal to 20% of our direct earned premiums, over the calendar year immediately preceding the applicable Program Year.

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

**Limitation of Liability**

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

**Policyholder Disclosure Notice**

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed \$100,000,000 in a Program Year, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

**Schedule**

<b>State</b>	<b>Rate</b>	<b>Premium</b>
IL	0.050	68.00

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

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

Endorsement Effective  
Insured

Policy No. DAWC337853      Endorsement No.  
Premium \$

Insurance Company

Countersigned by \_\_\_\_\_

**ILLINOIS WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY EXCLUSION  
ENDORSEMENT**

C. Change Part Two—C. Exclusions 1. as follows:

This insurance does not cover

1. liability assumed under a contract, and/or any agreement to waive your right to limit your liability for contribution to the amount of benefits payable under the Workers Compensation Act and the Workers Occupational Disease Act. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;

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  
Premium

Policy No. DAWC337853

Endorsement No.

Insured

Insurance Company

Countersigned by \_\_\_\_\_

**WC 12 03 06 A**

(Ed. 7-11)

**ILLINOIS MEDICAL BENEFITS DEDUCTIBLE ENDORSEMENT**

This endorsement applies only to the insurance provided by Part One (Workers Compensation Insurance) because Illinois is shown in Item 3.A. of the Information Page.

1. Part One (Workers Compensation Insurance) applies to medical benefits only in excess of a deductible amount of \$1,000. This deductible applies separately to each accident, regardless of the number of persons injured in the accident.
2. We will pay the deductible amount for you, but you must reimburse us within 30 days after we send you notice that payment is due. If you fail to reimburse us, we may cancel the policy in accordance with Illinois cancellation law. We may keep the amount of unearned premium that will reimburse us for the payments we made. These rights are in addition to other rights we have to be reimbursed.

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  
Insured

Effective Policy No. DAWC337853      Endorsement No.  
Premium

Insurance Company

Countersigned by \_\_\_\_\_

**WC 12 06 02 A**

(Ed. 8-92)



**Home Office**  
**P.O. Box A-H • 16 South River Street**  
**Wilkes-Barre, PA 18703-0020**  
**FAX 1-570-823-2059**  
**Toll-Free 1-800-673-2465**  
**www.guard.com**

## **Notice of Contact for Complaints**

This notice is to advise you that, should any complaints arise regarding this insurance, you may contact us (your insurer) and the Illinois Department of Insurance. Correspondence for us should be forwarded to the attention of GUARD's Complaint Log Administrator at the address listed above. Correspondence for the insurance department should be mailed to:

Illinois Department of Insurance  
Consumer Division or Public Services Section  
Springfield, IL 62767

If you have any questions about this notice, don't hesitate to contact one of our ***Customer Service Representatives*** at 1-800-673-2465 for more information.



**Home Office**  
**P.O. Box A-H • 16 South River Street**  
**Wilkes-Barre, PA 18703-0020**  
**FAX 1-570-823-2059**  
**Toll-Free 1-800-673-2465**  
**[www.guard.com](http://www.guard.com)**

## **Policyholder Disclosure: Illinois Workers' Compensation Commission Operations Fund Surcharge**

Your policy has been surcharged as a result of the Illinois Workers' Compensation Commission Operations Fund Surcharge, effective January 1, 2005.

The establishment of this Fund provides that every insurance company, authorized or licensed by the Illinois Insurance Department and insuring employers' liabilities arising under the Workers' Compensation Act or the Workers' Occupational Diseases Act, must remit a surcharge equal to 1.01% of the direct written premium for insuring employers' liability under the Workers Compensation Act or Workers' Occupational Diseases Act.

The portion of your annual premium that is attributable to this surcharge is \$76.

# **THANKS FOR SELECTING US**



**In cooperation with  
BRADISH ASSOCIATES LTD**

Dana Point Condo Association  
1519 E. Central Rd  
Arlington Heights, IL 60005

## **A WARM WELCOME FROM GUARD AND BRADISH ASSOCIATES LTD!**

BRADISH ASSOCIATES LTD and GUARD Insurance Group are pleased to have the opportunity to serve you by providing the superior products and customer services you deserve. If you have a question about your Workers' Compensation Policy or have a particular need, our combined professional staff will be available to assist you.

### **Contact Your Agent for:**

- *Any inquiries about coverage issues, features that have been incorporated into your policy, and endorsements.*
- *Requests for issuance of Certificates of Insurance.*

Phone: 847-259-2400  
FAX: 847-259-0400

Available during regular business hours

### **Contact GUARD Insurance Group for:**

- *Any inquiries about billing when you are under a direct bill payment plan and receive statements in the mail from GUARD.*
- *Questions about the status of a claim or available safety services.*

Phone: 1-800-673-2465  
FAX: 1-570-823-2059  
E-Mail: csr@guard.com

Monday through Friday; 8:00 AM to 6:00 PM EST  
(E-mail and voice mail after hours)

To report a claim or loss, call us immediately at 1-888-NEW-CLMS — 24 hours a day, seven days a week.  
The information below will be needed by you to complete this process. Specific instructions on reporting claims are included in the enclosed policy packet.

- YOUR POLICY NUMBER IS DAWC337853.
- YOUR INSURANCE CARRIER IS NorGUARD Insurance Company.
- YOUR POLICY EFFECTIVE DATE IS 10/16/2012.

We have also supplied a list of medical providers who are qualified to treat work injuries. Please review all attached documents carefully.

### **Additional value-added services available to all policyholders:**

- *A unique Cooperative Care Program that integrates loss control, claims, and medical management activities and focuses on quality care for your injured employees and a fast return to work.*
- *A Fraud Special Investigative Unit and Hotline at 1-800-673-2465, ext. TIPS.*
- *AND MUCH MORE!*

We appreciate your business and look forward to the opportunity to serve your insurance needs. Please keep a copy of this letter with your GUARD Insurance Group policy for future reference.

**enclosed: Workers' Compensation Policy and a customized List of Providers**



Home Office  
P.O. Box A-H • 16 South River Street  
Wilkes-Barre, PA 18703-0020  
Toll-Free 1-800-673-2465  
[www.guard.com](http://www.guard.com)

## Illinois – Civil Unions and Insurance Benefits

From information provided May 2011 by the Illinois Department of Insurance  
in a document entitled Illinois Insurance Facts.

Note: This information, developed to provide consumers with general information and guidance about insurance coverage and laws, is not intended to be a formal, definitive description or interpretation of Department policy. For specific Department policy on any issue, regulated entities (insurance industry) and interested parties should contact the Department.

Signed by Governor Quinn on January 31, 2011, the Religious Freedom Protection and Civil Union Act (Public Act 96-1513, the "Civil Union Law") will allow both same-sex and different-sex couples to enter into a civil union with all of the obligations, protections, and legal rights that Illinois provides to married heterosexual couples.

The Civil Union Law becomes effective on June 1, 2011. Below is a list of frequently asked questions about the Civil Union Law's impact on insurance laws and benefits in Illinois. Please call the Department of Insurance at (866)445-5364 if you have a question we have not answered.

### **GENERAL QUESTIONS**

#### **What is a civil union? How is a civil union different from marriage?**

A civil union is a legal relationship granted to unmarried adult partners by the State of Illinois. The Civil Union Law ensures that civil unions and marriage are treated identically under Illinois law.

For purposes of Illinois law, and as used in this fact sheet, the term "spouse" (and other terms that denote the spousal relationship) now includes a party to a civil union. Federal law may impact how eligibility and benefits for certain products are treated.

#### **What impact does the Civil Union Law have on insurance policies? How will the Law be interpreted?**

For purposes of insurance laws, policies, eligibility, and benefits governed by Illinois law, a spouse in a civil union and a spouse in a marriage are to be treated identically.

The Civil Union Law will be "liberally construed and applied to promote its underlying purposes." If ambiguity exists about whether or how the Civil Union Law applies to an insurance law, regulation or policy, that ambiguity shall be resolved in favor of the individuals in the civil union.

#### **When does the Civil Union Law become effective?**

The Civil Union Law becomes effective on June 1, 2011. All insurance policies issued on or after June 1, 2011, must immediately conform to the Civil Union Law. All in-force insurance policies subject to the Law (generally, all insurance policies issued in Illinois) are amended by operation of law to conform with the Civil Union Law on that date.

This means that all policies will, without any action on the part of the insurer, insured or certificate holder, be interpreted and enforced so as to provide the same benefits to spouses in a civil union and those in a marriage beginning June 1, 2011. For rating and underwriting purposes, the Civil Union Law shall be applied on issuance or renewal.

The Department has provided separate guidance to all insurers licensed to operate in Illinois to ensure that existing policy forms, applications, and other materials given to policyholders or applicants are amended in a reasonable but timely manner, and to ensure that policyholders and applicants are informed about the rights provided by the Civil Union Law.

**Does the Civil Union Law apply to domestic partners who are not joined in a civil union?**

No. The Civil Union Law does not change the legal status, rights, or protections currently afforded to domestic partners. In order to receive the same legal status as married couples under State law, domestic partners must enter into a civil union as provided by the Civil Union Law.

**What proof of a civil union may an insurer require?**

Insurers cannot impose more stringent requirements on policyholders, applicants or claimants to prove a civil union than are required to prove a marriage. An insurer cannot, for example, require certification or evidence that the couple joined by a civil union has a joint account, owns real estate jointly, or shares a residence, unless the insurer also requires the same certification or evidence of couples joined in marriage to prove the marriage.

## **WORKERS' COMPENSATION INSURANCE**

**Does an insurer have to offer civil union couples the same joint policies and discounts it offers to married couples?**

Insurers must offer the same policies and contracts to both civil union couples and married couples. If the insurer sets premium rates or provides premium discounts based on marital status, the insurer must treat married couples and civil union couples identically.

**Do civil union spouses qualify for survivor benefits under workers' compensation insurance?**

Yes. Civil union spouses are entitled to the same benefits as married spouses under workers' compensation insurance.

Excerpted from information provided by the Illinois Department of Insurance,  
which can be contacted by phone toll-free at (866) 445-5364  
or by visiting <http://insurance.illinois.gov>.



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## **Important Alert for Policy #DAWC337853**

*Please read this important advance notice which outlines our policy for handling Workers' Compensation premium for subcontractors\*. If you have any questions or do not understand any portion of the explanation, we suggest you contact your agent immediately because the cost of your coverage may be affected at final audit time.*

### **Premium Charge for Subcontractors**

If you hire subcontractors who do not have their own Workers' Compensation insurance, your premium calculation will be modified to include any amounts paid for their labor. This additional premium is addressed in Part Five C 2 of your policy and compensates us for the risk that one or more of these subcontractors (or one of the subcontractor's employees) will file a claim for benefits under your coverage.

Although subcontractors may appear to be independent businesses, claims filed by them (or their employees) are common after an injury. Under Workers' Compensation law, the legal definition of "employee" is much broader than the common understanding of that term. In addition, many states make you – as the contractor – automatically responsible for certain expenses due to work-related injuries to your independent subcontractors or their employees. Regardless of the state law, GUARD must pay legal fees under Part One of your policy to defend these claims and must also pay Workers' Compensation benefits in many cases.

For these reasons and in accordance with Part Five C 2 of your policy, GUARD will charge appropriate additional premium unless the subcontractors have their own in-force Workers' Compensation coverage during your entire policy period, and you are able to provide acceptable proof of this coverage to us prior to completion of your final audit. Evidence of general liability insurance, pre-determinations or statements of independent contractor status, hold harmless agreements, etc. are not acceptable substitutes, and no exceptions will be made for sole proprietors or others on the grounds that such parties are not required to purchase (or cannot purchase) Workers' Compensation insurance. The risk of a claim against your policy from an uninsured subcontractor is the same, regardless of his or her reason for having no coverage. Furthermore, these additional charges will be imposed when applicable, even if exceptions have been granted to you by GUARD or by another carrier in the past.

**Please realize that premium may be charged for subcontractors hired by uninsured entities owned or controlled by you. Premium will be charged if the Rating Bureau rules in your state require the related entity to be combined in a single policy with the company we are insuring.**

Ultimately, we believe this policy is in the best interests of all parties, and we hope that this advance notification will prevent any misunderstandings at a later date. As always, we thank you for selecting GUARD Insurance Group, and we look forward to serving you during the upcoming policy year.

**\*Note: A "subcontractor" is a person or organization paid to assist you in providing a product or service to your customer or client (and not just to you). Workers' Compensation laws in most states presume that such vendors are "employees" who, therefore, often file claims seeking benefits.**



# Privacy Policy

GUARD Insurance Group, Inc. and its affiliated insurance companies are committed to treating and using personal financial information about you and your employees responsibly. We will not disclose nonpublic, personal information about you and your employees to anyone except as permitted or required by law.

This disclosure is made on behalf of the following affiliates of GUARD Insurance Group, Inc.: AmGUARD Insurance Company; NorGUARD Insurance Company; EastGUARD Insurance Company; and WestGUARD Insurance Company.

## **Collecting Information**

We collect nonpublic, personal information from you about you and your employees to properly maintain and service your policy. This nonpublic, personal information may come from the following sources:

- Application Information and Other Forms. On the application for insurance or other forms completed by you, you provide us with most of the information we need to process policies and claims.
- Transaction Information. We may develop information about you and your employees based on transactions and experiences you have with us, our affiliates, or others.
- Third-Party Information. This is information that we receive to verify or supplement your application or claims.

## **Disclosing Information**

In the course of conducting business and as permitted or required by law, we may share nonpublic, personal information about you and your employees with our affiliated companies. We do not disclose any nonpublic, personal information about you and your employees to any nonaffiliated third parties, except for the conduct of our business or as permitted or required by law. Information may be supplied to others providing business services for us. Additionally, we may provide information for audit or research purposes or to law enforcement agencies to help us prevent fraud.

## **Securing Information**

We restrict access to nonpublic, personal information about you and your employees to our employees who need to know the information necessary to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with applicable regulations to guard the nonpublic, personal information of you and your employees.

Am**GUARD** • East**GUARD** • Nor**GUARD** • West**GUARD**

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