

CHUBB®

CHUBB GROUP
CENTRALIZED OPERATIONS
1 BEAVER VALLEY ROAD
WILMINGTON, DE 19803

AHOLD AMERICAS HOLDINGS
VALLE TILE & MARBLE CORP
209-47 34 ROAD
BAYSIDE NY 11361

DWP

OFFICE 61760 132685 DWP 20200615 SO.TYP C5859426A

BEGINNING OF POLICY

OFFICE 61760 132685 DWP 20200615 SO.TYP C5859426A





ACE AMERICAN INSURANCE COMPANY
436 Walnut Street
P.O. Box 1000
Philadelphia, PA 19106 - 3703

VALLE TILE & MARBLE CORP
209-47 34 ROAD
BAYSIDE NY 11361

STANDARD
WORKERS COMPENSATION AND
EMPLOYERS LIABILITY POLICY

(A stock insurance company)

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY
QUICK REFERENCE

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IMPORTANT: This Quick Reference is **not** part of the Workers Compensation and Employers Liability Policy and does **not** provide coverage. Refer to the Workers Compensation and Employers Liability Policy itself for actual contractual provisions.

PLEASE READ THE WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY CAREFULLY.

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

Workers' Compensation and Employers Liability Insurance Policy Information Page

POLICY NUMBER

Symbol: RWC Number: C5 85 94 26 A

PREVIOUS POLICY NO.

Symbol: Number:

☒ New☐ Renewal☐ Rewrite☐ Individual☐ Partnership☐ Association☒ Corporation☐ Joint Venture☐ Other Legal Entity**Item 1.**

Named

VALLE TILE & MARBLE CORP

Insured

209-47 34 ROAD

BAYSIDE

NY 11361

Inter/Intrastate ID No.:

Mailing

Address

Federal Employer ID No.: 113209040

Employer's ID No.:

PIIC CODE: 5411

For other named insured see Extension of Information Page – Schedule of Named Insured, WC 99 99 99 A

For other workplaces see Extension of Information Page – Schedule of Other Workplaces, WC 99 99 99 B

Item 2. Policy period: From 05-19-2020 To 12-01-2020 12:01 A.M., standard time at the named insured's mailing address.**Item 3A. Workers' Compensation Insurance:** Part One of the policy applies to the Workers' Compensation Law of the states listed here: NY**Item 3B. 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

Item 3C. Other States 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 3.A

Item 3D. This Policy includes these endorsements and schedules:

See schedule of Forms and Endorsements WC999999D

Item 4. The premium for this policy will be determined by our Manual of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.**SEE EXTENSION OF INFORMATION PAGE –CLASSIFICATIONS**

If indicated here, interim adjustments of premium will be made:

☐ Semi-Annually ☐ Quarterly ☐ Monthly

Minimum Premium collected in NY \$ 875.

Total Estimated Premium \$ 1645.

Deposit Premium \$

PRODUCER NAME AND MAILING ADDRESS

WILLIS TOWERS WATSON

SOUTHEAST INC

214 NORTH TRYON STREET

SUITE 2500

CHARLOTTE

NC 28202

PRODUCER CODE: 132685 62-1404453 DWU

MARKETING OFFICE: DALLAS CON. WRAP-UP

ISSUE DATE: 06/15/2020



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| Policy Period 05-19-2020 TO 12-01-2020 | Policy Number Symbol: RWC Number: C5859426A |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | Effective Date of Endorsement 05-19-2020 |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT COVERAGE ENDORSEMENT

This endorsement applies only to work subject to the Longshore and Harbor Workers' Compensation Act in a state shown in the Schedule. The policy applies to that work as though that state were listed in Item 3.A. of the Information Page.

General Section C. **Workers' Compensation Law** is replaced by the following:

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 and the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen's compensation law, other federal occupational disease law or the provisions of any law that provide nonoccupational disability benefits.

Part Two (Employers Liability Insurance), C. Exclusions., exclusion 8, does not apply to work subject to the Longshore and Harbor Workers' Compensation Act.

This endorsement does not apply to work subject to the Defense Base Act, the Outer Continental Shelf Lands Act, or the Nonappropriated Fund Instrumentalities Act.

Schedule

| <u>State</u> | <u>Longshore and Harbor Workers' Compensation Act Coverage Percentage</u> |
|--------------|---|
| NEW YORK | 1.788 |

The rates for classifications with code numbers not followed by the letter "F" are rates for work not ordinarily subject to the Longshore and Harbor Workers' Compensation Act. If this policy covers work under such classifications, and if the work is subject to the Longshore and Harbor Workers' Compensation Act, those non-F classification rates will be increased by the Longshore and Harbor Workers' Compensation Act Coverage Percentage shown in the Schedule.



Authorized Agent

Workers' Compensation and Employers' Liability Policy

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MARITIME COVERAGE ENDORSEMENT

This endorsement changes how insurance provided by Part Two (Employers Liability Insurance) applies to bodily injury to a master or member of the crew of any vessel.

A. How This Insurance Applies is replaced by the following:

A. How This Insurance Applies

This 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 work described in Item 1 of the Schedule of the Maritime Coverage Endorsement.
3. The bodily injury must occur in the territorial limits of, or in the operation of a vessel sailing directly between the ports of, the continental United States of America, Alaska, Hawaii or Canada.
4. Bodily injury by accident must occur during the policy period.
5. 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.
6. 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. Exclusions is changed by removing exclusion 10 and by adding exclusions 13 and 14.

This insurance does not cover:

13. Bodily injury covered by a Protection and Indemnity Policy or similar policy issued to you or for your benefit. This exclusion applies even if the other policy does not apply because of another insurance clause, deductible or limitation of liability clause, or any similar clause.
14. Your duty or obligation to provide transportation, wages, maintenance, and cure. This exclusion does not apply if a premium entry is shown in Item 2 of the Schedule, except that punitive damages related to your duty or obligation to provide transportation, wages, maintenance, and cure under any applicable maritime law are excluded even if a premium is paid for transportation, wages, maintenance, and cure coverage.

D. We Will Defend is changed by adding the following statement:

We will treat a suit or other action in rem against a vessel owned or chartered by you as a suit against you.

G. Limits of Liability

Our liability to pay for damages is limited. Our limits of liability are shown in the Schedule. 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—aggregate" is the most we will pay for all damages covered by this insurance because of bodily injury by disease to one or more employees. The limit applies separately to bodily injury by disease arising out of work in each state shown in Item 3.A. of the Information Page. Bodily injury by disease will be deemed to occur in the state of the vessel's home port. 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.

Schedule

1. Description of work:

IF ANY

2. Transportation, Wages, Maintenance, and Cure Premium \$ INCLUDED

Exclusion: This insurance does not cover punitive damages related to your duty or obligation to provide transportation, wages, maintenance, and cure under any applicable maritime law even if a premium is paid for transportation, wages, maintenance, and cure coverage.

3. Limits of Liability

Bodily Injury by Accident \$ 1,000,000 each accident

Bodily Injury by Disease \$ 1,000,000 aggregate



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
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VOLUNTARY COMPENSATION MARITIME COVERAGE ENDORSEMENT

This endorsement adds Voluntary Compensation Maritime Insurance to the Policy.

A. How This Insurance Applies

This insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury including resulting death.

1. The bodily injury must be sustained by an employee who is a master or member of the crew of a vessel described in the Schedule.
2. The bodily injury must occur in employment that is necessary or incidental to work described in item 2 of the Schedule.
3. The bodily injury must occur in the territorial limits of, or in the operation of a vessel sailing directly between the ports of, the continental United States of America, Alaska, Hawaii or Canada.
4. Bodily injury by accident must occur during the policy period.
5. 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 an amount equal to the benefits that would be required of you if you and your employees described in item 1 of the Schedule were subject to the workers' compensation law shown in item 1 of the Schedule. We will pay those amounts to the persons who would be entitled to them under that law.

C. Exclusions

This insurance does not cover:

1. any obligation imposed by a workers compensation or occupational disease law, or any similar law.
2. bodily injury intentionally caused or aggravated by you.

D. Before We Pay

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
2. Transfer to us their right to recover from others who may be responsible for the injury or death.
3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

Schedule

Workers
Compensation
Law

1. Employees

Master and members of the crews of these vessels:

STATE OF HIRE

2. Description of work:

IF ANY



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
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ALTERNATE EMPLOYER ENDORSEMENT

This endorsement applies only with respect to bodily injury to your employees while in the course of special or temporary employment by the alternate employer in the state named in Item 2 of the Schedule. Part One (Workers Compensation Insurance) and Part Two (Employers Liability Insurance) will apply as though the alternate employer is insured. If an entry is shown in Item 3 of the Schedule the insurance afforded by this endorsement applies only to work you perform under the contract or at the project named in the Schedule.

Under Part One (Workers Compensation Insurance) we will reimburse the alternate employer for the benefits required by the workers compensation law if we are not permitted to pay the benefits directly to the persons entitled to them.

The insurance afforded by this endorsement is not intended to satisfy the alternate employer's duty to secure its obligations under the workers compensation law. We will not file evidence of this insurance on behalf of the alternate employer with any government agency.

We will not ask any other insurer of the alternate employer to share with us a loss covered by this endorsement.

Premium will be charged for your employees while in the course of special or temporary employment by the alternate employer.

The policy may be canceled according to its terms without sending notice to the alternate employer.

Part Four (Your Duties If Injury Occurs) applies to you and the alternate employer. The alternate employer will recognize our right to defend under Parts One and Two and our right to inspect under Part Six.

Schedule

- | | |
|--|---|
| 1. <u>Alternate Employer</u> IF ANY | <u>Address</u> DOES NOT APPLY TO ALASKA, OR TO ANY EMPLOYEE LEASE CONTRACT/ARRANGEMENT |
| 2. <u>State of Special or Temporary Employment</u> CT, DC, DE, IL, MA, MD, NJ, NY, PA, VA, WV | |
| 3. <u>Contract or Project</u> | |

This endorsement is not applicable in the states of AK, HI, MI, OK and TX.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

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DESIGNATED WORKPLACES EXCLUSION ENDORSEMENT

The policy does not cover work conducted at or from:

ANY LOCATION EXCEPT:

AHOLD AMERICAS HOLDINGS, INC. LOCATIONS IN THE STATES OF CONNECTICUT, DELAWARE, DISTRICT OF COLUMBIA, ILLINOIS, MARYLAND, MASSACHUSETTS, NEW JERSEY, NEW YORK, RHODE ISLAND, AND VIRGINIA WHERE CAPITAL CONSTRUCTION PROJECTS WILL BE PERFORMED BY CONTRACTORS ENROLLED IN THE ROLLING OWNER CONTROLLED INSURANCE PROGRAM. ALSO, INCLUDES OFF-SITE LOCATIONS WHERE CONSTRUCTION ACTIVITIES ARE CONTRACTUALLY REQUIRED OF AHOLD AMERICAS HOLDINGS, INC. THAT WILL BE PERFORMED BY CONTRACTORS ENROLLED IN THE PROGRAM. INVOLVES NEW CONSTRUCTION, RENOVATION, AND MAINTENANCE OF SUCH FACILITIES, AS WELL AS RELATED NEW CONSTRUCTION, RENOVATION, AND INCIDENTAL OPERATIONS THERETO, PROVIDING SUCH NECESSARY OR INCIDENTAL OPERATIONS SHALL NOT INCLUDE OPERATIONS AT THE INSURED'S REGULARLY ESTABLISHED WORKPLACE, PLANT, FACTORY, OFFICE, SHOP, WAREHOUSE, YARD, OR OTHER PROPERTY EVEN IF SUCH OPERATIONS ARE FOR THE FABRICATION OF MATERIALS TO BE USED AT A JOBSITE.

This endorsement is not applicable in the states of CA, ND, OH, PA, WA and WY.



Authorized Representative

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SOLE PROPRIETORS, PARTNERS, OFFICERS AND OTHERS COVERAGE ENDORSEMENT

An election was made by or on behalf of each person described in the Schedule to be subject to the workers compensation law of the state named in the Schedule. The premium basis for the policy includes the remuneration of such persons.

Schedule**Persons****State**

SOLE PROPRIETORS

PARTNERS

OFFICERS

OTHERS

.

This endorsement is not applicable in: CA, NJ, NY and TX.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
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VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT

This endorsement adds Voluntary Compensation Insurance to the policy.

A. How This Insurance Applies

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

1. The bodily injury must be sustained by an employee included in the group of employees described in the Schedule.
2. The bodily injury must arise out of and in the course of employment necessary or incidental to work in a state listed in the Schedule.
3. The bodily injury must occur in the United States of America, its territories or possessions or Canada and may occur elsewhere if the employee is a United States or Canadian citizen temporarily away from those places.
4. Bodily injury by accident must occur during the policy period.
5. 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 an amount equal to the benefits that would be required of you if you and your employees described in the Schedule were subject to the workers compensation law shown in the Schedule. We will pay those amounts to the persons who would be entitled to them under the law.

C. Exclusions

This insurance does not cover:

1. any obligation imposed by a workers compensation or occupational disease law, or any similar law.
2. bodily injury intentionally caused or aggravated by you.

D. Before We Pay

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
2. Transfer to us their right to recover from others who may be responsible for the injury or death.
3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

F. Employers Liability Insurance

Part Two (Employers Liability Insurance) applies to bodily injury covered by this endorsement as though the State of Employment shown in the Schedule were shown in Item 3.A. of the Information Page.

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

Schedule

Employee

ANY EMPLOYEE EXEMPT FROM THE WORKERS COMPENSATION LAW: NJ & WI ARE EXCLUDED.

State of Employment

ALL STATES LISTED UNDER ITEM 3.A. OF THE INFORMATION PAGE EXCEPT NJ & WI.

Designated Workers Compensation Law

ALL STATES LISTED UNDER ITEM 3.A. OF THE INFORMATION PAGE EXCEPT NJ & WI.

This endorsement is not applicable in the states of CA, HI, and NJ.



Authorized Representative

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WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule

BLANKET AS REQUIRED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS

For the states of CA, UT, TX, refer to state specific endorsements.

This endorsement is not applicable in KY, NH, and NJ.

The endorsement does not apply to policies in Missouri where the employer is in the construction group of code classifications. According to Section 287.150(6) of the Missouri statutes, a contractual provision purporting to waive subrogation rights against public policy and void where one party to the contract is an employer in the construction group of code classifications.

For Kansas, use of this endorsement is limited by the Kansas Fairness in Private Construction Contract Act(K.S.A.. 16-1801 through 16-1807 and any amendments thereto) and the Kansas Fairness in Public Construction Contract Act(K.S.A 16-1901 through 16-1908 and any amendments thereto). According to the Acts a provision in a contract for private or public construction purporting to waive subrogation rights for losses or claims covered or paid by liability or workers compensation insurance shall be against public policy and shall be void and unenforceable except that, subject to the Acts, a contract may require waiver of subrogation for losses or claims paid by a consolidated or wrap-up insurance program.



Authorized Agent

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90-DAY REPORTING REQUIREMENT—NOTIFICATION OF CHANGE IN OWNERSHIP ENDORSEMENT

You must report any change in ownership to us in writing within 90 days of the date of the change. 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. 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.

Failure to report any change in ownership, regardless of whether the change is reported within 90 days of such change, may result in revision of the experience rating modification factor used to determine your premium.

This reporting requirement applies regardless of whether an experience rating modification is currently applicable to this policy.



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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.**

For the states of MA, OR, refer to state specific endorsement.
This endorsement is not applicable in AZ, MI and TX.



Authorized Representative

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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.

State
NY

Schedule
Rate
0.00000

Premium
\$ 0

This Endorsement is not applicable in the States of: AK,FL,MA,MI,MN,MO,NM,TX and VA.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| Policy Period 05-19-2020 TO 12-01-2020 | Policy Number Symbol: RWC Number: C5859426A |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | Effective Date of Endorsement 05-19-2020 |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

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:

- The act is an act of terrorism.
- The act is violent or dangerous to human life, property or infrastructure.
- 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.
- 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.

| State | Schedule Rate | Premium |
|--------------|--------------------------|----------------|
| ND | 0.00000 | \$ 0 |
| NY | 0.00000 | \$ 0 |
| OH | 0.00000 | \$ 0 |
| WA | 0.00000 | \$ 0 |
| WY | 0.00000 | \$ 0 |

This Endorsement is not applicable in the state of FL. For FL, refer to the state specific form.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| Policy Period 05-19-2020 TO 12-01-2020 | Policy Number Symbol: RWC Number: C5859426A |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | Effective Date of Endorsement 05-19-2020 |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

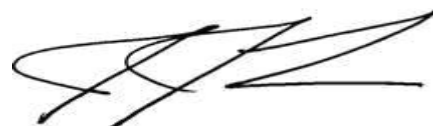
UNINTENTIONAL ERRORS AND OMISSIONS

PART SIX - CONDITIONS is amended by the addition of the following:

- F. Unintentional errors or omissions in representations made to us or our agent by you or any other insured before the inception of this policy will not impair your rights under this policy.

This endorsement is not applicable in the states of CT, MI, MN, NC, NJ, TN and WI.

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.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
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TWO OR MORE POLICIES ISSUED BY US

The following paragraph is added to **G. Limits of Liability** under **PART TWO – EMPLOYERS LIABILITY**:

4. If this policy and any other policy issued to you by us, or any company affiliated with us, apply to the same accident or disease, the maximum limit of liability under all applicable policies for such accident or disease shall not be greater than the highest applicable limit of liability under any one such policy for Bodily Injury by Accident or Bodily Injury by Disease.

This provision does not apply to any policy we, or any company affiliated with us, issue to an insured that by its terms specifically provides coverage that is excess over other applicable insurance.

This endorsement is not applicable in the states of AK, AZ, CT, FL, NJ, NY, NC, TN and WI.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
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| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
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NOTIFICATION OF PREMIUM ADJUSTMENT

For the states and lines of business in which regulatory approval has been granted for the NCCI Large Risk Alternative Rating Option, the ISO Large Risk Alternative Rating Option, or the independently filed Chubb Large Risk Rating Plan, the premiums for this policy will be adjusted in accordance with the Notice of Election, signed by you.

This endorsement is not applicable in the states of CA, FL, NJ, TX, and WI.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
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EARLIER NOTICE OF CANCELLATION AND NON-RENEWAL ENDORSEMENT

Paragraphs A. and B. below apply to all States shown in item 3.A. of the Information Page except as indicated below.

A. EARLIER NOTICE OF CANCELLATION

For any statutorily permitted reason, other than nonpayment of premium, the minimum number of days required for notice of cancellation as provided in either the Cancellation Condition of the policy or as amended by any applicable state cancellation endorsement is increased to 90 days.

If the state cancellation endorsement provides for more than the number of days notice of cancellation shown above, this provision does not apply.

B. EARLIER NOTICE OF NON-RENEWAL

If we decide not to renew this policy for any reason other than non payment of premium, the minimum number of days for notice of non-renewal as provided by any applicable state non-renewal endorsement is increased to 90 days.

If the state non-renewal endorsement provides for more than the number of days notice of non-renewal shown above, this provision does not apply.

State Exceptions

ARIZONA Not applicable - Paragraph A

NEW JERSEY Not applicable

WISCONSIN Not applicable



Authorized Agent

Workers' Compensation and Employers' Liability Policy

| | |
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| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.

This endorsement is not applicable in: AZ, FL, MN, NJ, TN, WI.



Authorized Agent

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

FORM AND ENDORSEMENT SCHEDULE

| | |
|--------------|--|
| WC 000000C | WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY |
| WC 000001A | CONTRACT INFORMATION PAGE |
| WC 000106A | LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT COVERAGE ENDORSEMENT |
| WC 000201B | MARITIME COVERAGE ENDORSEMENT |
| WC 000203 | VOLUNTARY COMPENSATION MARITIME COVERAGE ENDORSEMENT |
| WC 000301A | ALTERNATE EMPLOYER ENDORSEMENT |
| WC 000302 | DESIGNATED WORKPLACES EXCLUSION ENDORSEMENT |
| WC 000310 | SOLE PROPRIETORS, PARTNERS, OFFICERS AND OTHERS COVERAGE ENDORSEMENT |
| WC 000311A | VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT |
| WC 000313 | WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT |
| WC 000414A | 90-DAY REPORTING REQUIREMENT-NOTIFICATION OF CHANGE IN OWNERSHIP ENDORSEMENT |
| WC 000419 | PREMIUM DUE DATE ENDORSEMENT |
| WC 000421D | CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT |
| WC 000422B | TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT |
| WC 990302D | VOLUNTARY COMPENSATION ENDORSEMENT FOREIGN |
| WC 990355 | UNINTENTIONAL ERRORS AND OMISSIONS |
| WC 990391A | TWO OR MORE POLICIES ISSUED BY US |
| WC 990409 | NOTIFICATION OF PREMIUM ADJUSTMENT |
| WC 990697 | EARLIER NOTICE OF CANCELLATION AND NON-RENEWAL ENDORSEMENT |
| WC 990773 | TRADE OR ECONOMIC SANCTIONS ENDORSEMENT |
| WC 999999D | SCHEDULE OF FORMS AND ENDORSEMENTS |
| WC 900379 ND | NORTH DAKOTA AMENDATORY ENDORSEMENT |



(Authorized Representative)

Workers' Compensation and Employers' Liability Policy

| | |
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| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
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FORM AND ENDORSEMENT SCHEDULE

WC 000313 NY WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT
WC 310308 NY NEW YORK LIMIT OF LIABILITY ENDORSEMENT
WC 310319I NY NEW YORK CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM EXPLANATORY ENDORSEMENT
WC 310404A NY NEW YORK PENDING PAYROLL LIMITATION AND PREMIUM
DIFFERENTIAL ENDORSEMENT
WC 310617A NY NEW YORK FOREIGN VOLUNTARY COMPENSATION AND EMPLOYERS
LIABILITY COVERAGE ENDORSEMENT
WC 310618 NY NEW YORK WORKERS COMPENSATION POLICYHOLDER NOTICE OF
RIGHT TO APPEAL
WC 900335 NY NEW YORK - CONTROLLED INSURANCE PROGRAM - AMENDATORY
ENDORSEMENT
WC 900336 NY EARLIER NOTICE OF CANCELLATION AND NON-RENEWAL
ENDORSEMENT-NEW YORK
WC 900380 OH OHIO CANCELLATION AND NONRENEWAL ENDORSEMENT
WC 990442 OH STOP GAP COVERAGE - OHIO
WC 490301 WY WYOMING AMENDATORY ENDORSEMENT



(Authorized Representative)

DOC 6178 06-15-2020 DWU

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

EXTENSION OF INFORMATION PAGE-CLASSIFICATION

POLICY NUMBER

Symbol: RWC Number: C5 85 94 26 A

☒

New

☐

Renewal

☐

Rewrite

PREVIOUS POLICY NO.

☐

Individual

☐

Partnership

Symbol:

Number:

☒

Corporation

☐

NORTH DAKOTA

Complete Item 4. of the Information Page

| Classifications | Code No. | Premium Basis | Rate | Estimated Premium |
|--|----------|------------------------------|---------------------------|-------------------|
| | | Estimated Total Remuneration | Per \$100 of Remuneration | |
| AHOLD AMERICAS HOLDINGS | | | | |
| EMPLOYERS' LIABILITY - STOPGAP COVERAGE - PAYROLL | 9139 | | .19 | 150. |
| ESTIMATED STANDARD POLICY PREMIUM | | | | 150. |
| CATASTROPHE PROVISIONS FOR TERRORISM - NOT PART OF STANDARD PREMIUM | 9740 | | .000 | 0. |
| EXPENSE CONSTANT (\$300.00 COLLECTED IN NY) | | | | |
| TOTAL | | | | 150. |
| Minimum, Estimated and Deposit Premiums are shown on the Information Page. FOR PERIOD INDICATED IN POLICY INFORMATION PAGE | | Total State Premium | | 150. |

THIS EXTENSION OF INFORMATION PAGE IS EFFECTIVE FOR THE POLICY PERIOD INDICATED ON THE POLICY INFORMATION PAGE UNLESS OTHERWISE STATED.

ISSUE DATE: 06/15/2020

(PAGE 1 LAST PAGE)

Workers' Compensation and Employers' Liability Policy

| | |
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| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
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| Policy Period 05-19-2020 TO 12-01-2020 | Effective Date of Endorsement 05-19-2020 |
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| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

NORTH DAKOTA AMENDATORY ENDORSEMENT

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

Part Five (Premium), Condition E, Final Premium, is changed by adding these conditions:

E. Final Premium

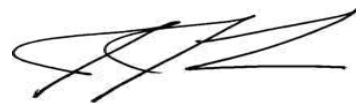
We are required by North Dakota regulation to establish our final premium not later than 180 days after the policy period ends.

If we are unable to examine and audit your records because of your failure to cooperate, we will mail advance written notice to you stating the reasons for our inability to establish the final premium. Your final premium will be established no later than 180 days from the time we are able to complete the examination and audit of your records.

If we have not established the final premium within the 180-day time limitation, we may not bill or collect any additional premium that exceeds the latest billed premium for the policy period.

Condition D, Cancellation, Part Six Conditions, is replaced by the following:

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect. You may also cancel by returning this policy to us or to any of our authorized agents.
2. We may cancel this policy. We must mail or deliver to you not less than thirty days advance written notice stating when the cancellation is to take effect. But if we are canceling because you failed to pay your premium or because you failed to furnish the payroll information that we requested, we will give you only ten days notice. Mailing or delivering 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 or on the day and hour you returned the policy to us or to one of our authorized agents.
4. Any of these provisions that conflicts with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with that law.



Authorized Representative

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

EXTENSION OF INFORMATION PAGE-CLASSIFICATION

POLICY NUMBER

Symbol: RWC Number: C5 85 94 26 A

☒

New

☐

Renewal

☐

Rewrite

PREVIOUS POLICY NO.

☐

Individual

☐

Partnership

Symbol:

Number:

☒

Corporation

☐

NEW YORK

Complete Item 4. of the Information Page

| Classifications | Code No. | Premium Basis | Rate | Estimated Premium |
|---|----------|------------------------------|---------------------------|-------------------|
| | | Estimated Total Remuneration | Per \$100 of Remuneration | |
| AHOLD AMERICAS GLEN COVE, NY #0542 NO SPECIFIC LOCATION | | | | |
| LHW - IF ANY BASIS | 5348F | IF ANY | 17.16 | 0. |
| MARBLE OR STONE SETTING | 5348 | IF ANY | 9.60 | 0. |
| WAIVER OF SUBROGATION | 0930 | | 2.0000% | 250. |
| REPATRIATION EXPENSE - NY | 9606 | | | 375. |
| EMPLOYERS' LIABILITY INCREASED LIMITS, ADDITIONAL PREMIUM TO BALANCE TO MINIMUM PREMIUM | 9848 | | | 150. |
| ESTIMATED STANDARD POLICY PREMIUM | | | | 775. |
| CATASTROPHE PROVISIONS FOR TERRORISM - NOT PART OF STANDARD PREMIUM | 9740 | | .000 | 0. |
| CATASTROPHE PROVISIONS FOR CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) | 9741 | | .000 | 0. |
| NEW YORK WC STATE ASSESSMENT REPLACEMENT | 0932 | | 12.20% | 95. |
| NY SURCHARGE | 9749 | | .0000% | 0. |
| EXPENSE CONSTANT | 0900 | | | 300. |
| TOTAL | | | | 1170. |
| Minimum, Estimated and Deposit Premiums are shown on the Information Page. FOR PERIOD INDICATED IN POLICY INFORMATION PAGE | | Total State Premium | | 1170. |

THIS EXTENSION OF INFORMATION PAGE IS EFFECTIVE FOR THE POLICY PERIOD INDICATED ON THE POLICY INFORMATION PAGE UNLESS OTHERWISE STATED.

ISSUE DATE: 06/15/2020

(PAGE 1 LAST PAGE)

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| | Policy Number Symbol: RWC Number: C5859426A |
| Policy Period 05-19-2020 TO 12-01-2020 | Effective Date of Endorsement 05-19-2020 |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule

BLANKET AS REQUIRED BY WRITTEN CONTRACT EXECUTED PRIOR LOSS

For the states of CA, UT, TX, refer to state specific endorsements.

This endorsement is not applicable in KY, NH, and NJ.

The endorsement does not apply to policies in Missouri where the employer is in the construction group of code classifications. According to Section 287.150(6) of the Missouri statutes, a contractual provision purporting to waive subrogation rights against public policy and void where one party to the contract is an employer in the construction group of code classifications.

For Kansas, use of this endorsement is limited by the Kansas Fairness in Private Construction Contract Act(K.S.A.. 16-1801 through 16-1807 and any amendments thereto) and the Kansas Fairness in Public Construction Contract Act(K.S.A 16-1901 through 16-1908 and any amendments thereto). According to the Acts a provision in a contract for private or public construction purporting to waive subrogation rights for losses or claims covered or paid by liability or workers compensation insurance shall be against public policy and shall be void and unenforceable except that, subject to the Acts, a contract may require waiver of subrogation for losses or claims paid by a consolidated or wrap-up insurance program.



Authorized Agent

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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NEW YORK LIMIT OF LIABILITY ENDORSEMENT

This endorsement applies only to the insurance provided by Part Two (Employers Liability Insurance) because New York is shown in item 3.A of the Information Page.

We may not limit our liability to pay damages for which we become legally liable to pay because of bodily injury to your employees if the bodily injury arises out of and in the course of employment that is subject to and is compensable under the Workers Compensation Law of New York.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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NEW YORK CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM EXPLANATORY ENDORSEMENT

The New York Construction Classification Premium Adjustment Program (NYCCPAP) allows premium credits for some employers in the construction industry. These credits exist to recognize the difference in wage rates between employers within the same construction industries in New York.

The declarations section of this policy will show a credit of 0.00% if you are not eligible for this credit, or if you are eligible for this credit and have not yet applied for a credit. Credits are earned for average wages in excess of \$23.24 per hour for each eligible class. If your policy shows one of the following classification codes, and you are experience rated, you are eligible to apply for an NYCCPAP credit:

| | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|
| 0042 | 5057 | 5193 | 5429 | 5491 | 5606 | 6003 | 6229 | 6325 | 9526 |
| 3365 | 5059 | 5213 | 5443 | 5506 | 5610 | 6005 | 6233 | 6400 | 9527 |
| 3724 | 5069 | 5221 | 5445 | 5507 | 5645 | 6017 | 6235 | 6701 | 9534 |
| 3726 | 5102 | 5222 | 5462 | 5508 | 5648 | 6018 | 6251 | 7536 | 9539 |
| 3737 | 5160 | 5223 | 5473 | 5536 | 5651 | 6045 | 6252 | 7538 | 9545 |
| 5000 | 5183 | 5348 | 5474 | 5538 | 5701 | 6204 | 6260 | 7601 | 9549 |
| 5022 | 5184 | 5402 | 5479 | 5545 | 5703 | 6216 | 6306 | 7855 | 9553 |
| 5037 | 5188 | 5403 | 5480 | 5547 | 5709 | 6217 | 6319 | 8227 | |
| 5040 | 5190 | 5428 | | | | | | | |

The basis for determining the credit is the limited payroll of each employee for the number of hours worked (excluding overtime premium pay) for each construction classification (other than employees engaged in the construction of one or two-family residential housing) for the third quarter, as reported to taxing authorities, for the year preceding the policy date. Total payroll is to continue to be reported for employees engaged in the construction of one or two-family residential housing. For example:

POLICY EFFECTIVE DATE

THIRD QUARTER PAYROLL

| | |
|---------------------|------|
| 4/1/16 thru 3/31/17 | 2015 |
| 4/1/17 thru 3/31/18 | 2016 |
| 4/1/18 thru 3/31/19 | 2017 |
| 4/1/19 thru 3/31/20 | 2018 |
| 4/1/20 thru 3/31/21 | 2019 |
| 4/1/21 thru 3/31/22 | 2020 |

If you have any eligible classes on your policy, you should have been notified by your insurance carrier or the New York Compensation Insurance Rating Board approximately four months prior to the inception date of this policy. If you believe you may be eligible for a credit and have not received an application, you should immediately contact your agent, insurance carrier, or the New York Compensation Insurance Rating Board.

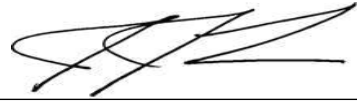
Credits are calculated by the New York Compensation Insurance Rating Board. You must submit a completed application to: Attention: Field Services Department, New York Compensation Insurance Rating Board, 733 Third Avenue, New York, New York 10017.

Applications must be received by the Rating Board three (3) months prior to the policy renewal effective date. The Rating Board will accept and process an application if it is received between the policy effective and expiration date, however, it must be accompanied by a letter stating the reason for the delay. Under no

circumstances will an application be accepted for any policy if it is received after the expiration date of the policy. For short-term policies the application must be received prior to the expiration date of the short-term policy. If it is received after the policy expiration, no credit will be calculated.

The New York Workers Compensation and Employers Liability Insurance Manual, and not this endorsement, govern the implementation and use of the NYCCPAP.

For online entry of the information requested on this form refer to: <http://www.nycirb.org/cpap>



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| | Policy Number Symbol: RWC Number: C5859426A |
| Policy Period 05-19-2020 TO 12-01-2020 | Effective Date of Endorsement 05-19-2020 |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

NEW YORK PENDING PAYROLL LIMITATION AND PREMIUM DIFFERENTIAL ENDORSEMENT

The Construction Employment Payroll Law (S7744/A11294) requires a payroll limitation and territory premium differential on policies for all employers subject to the Law. The code(s) currently on your policy may be subject to the Law.

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



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| | Policy Number Symbol: RWC Number: C5859426A |
| Policy Period 05-19-2020 TO 12-01-2020 | Effective Date of Endorsement 05-19-2020 |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

NEW YORK FOREIGN VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT

This endorsement adds Foreign Voluntary Compensation Insurance to the policy.

Section 1. Employees Covered

- A. This coverage applies only to employees you hire within the limits of the United States of America while they are traveling or temporarily residing outside the United States of America, its territories or possessions or Canada for a period no longer than ninety days.
- B. This insurance does not apply to any employees you hire outside the limits of the United States of America.
- C. This insurance does not apply to any employees who are employed to work at locations within the following country or countries: This insurance does not apply to the extent that United States of America economic or trade sanctions, including but not limited to, sanctions administered and enforced by the United States Treasury Department's Office of Foreign Assets Control ("OFAC"), prohibit us from providing insurance, including, but not limited to, the payment of claims.

Section 2. How This Insurance Applies

This insurance applies only to bodily injury by accident or to bodily injury by disease. Bodily injury includes resulting death. Bodily injury includes any endemic disease. Endemic diseases are those which are peculiar to a locality or region.

- A. An employee included in the group of employees described in Item 1. of the Schedule of this endorsement must sustain the bodily injury.
- B. The bodily injury must arise out of and occur in the course of employment necessary or incidental to work in a state, country or subdivision of a country listed in Item 1. of the Schedule of this endorsement.
- C. Bodily injury by accident must be during the policy period.
- D. The conditions of your workplace must cause or aggravate the bodily injury by disease. The employee's last day of last exposure to those conditions causing or aggravating such bodily injury must occur during the policy period.

Section 3. Exclusions

This insurance does not cover:

- A. Bodily injury arising from any direct or indirect consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power. No current or subsequent endorsement to this policy will override or waive this limitation;
- B. Compensation or benefits imposed by any non occupational, disability benefits law, plan or any similar law or plan; and
- C. Bodily injury you intentionally cause or aggravate.

Section 4. Voluntary Workers Compensation

This endorsement amends Section A. of Part One of the policy by adding the following coverage:

On your behalf, we will voluntarily pay an amount equal to the benefits you would be required to pay if you and the employees described in Item 1. of the Schedule were subject to the workers compensation law designated in Item 1. of the Schedule of this endorsement.

We will pay those amounts to the persons who would be entitled to them under the law. If this is not possible, we will reimburse you for amounts you are required to pay.

The following provisions apply to this insurance:

- A. In no event will our liability under this section exceed the amount we or you would have been obligated to pay if the employment and injury had been subject to the workers compensation law designated in Item 1. of the Schedule of this endorsement. The only exception to this is as provided for in Section 6—Repatriation Expense.
- B. We have the option of requesting you to pay sums due directly to persons entitled to them on our behalf. We will reimburse you for these payments when you provide us with satisfactory proof of payment.
- C. Before we are required to make any payment or reimburse you, the persons entitled or paid must:
 - (1) Release you and us in writing from all responsibility for the bodily injury or death;
 - (2) Transfer to us their right to recover from others who may be responsible for the injury or death to the extent of our payment or reimbursement; and
 - (3) Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If a person entitled to payment under this section refuses to accept voluntary payments offered, we may, at our discretion, withdraw the offer to pay compensation benefits. If this happens, we will notify you and the employee that we will no longer be bound by the provisions of this section.

- D. Under this or any other policy we have issued to you, it is possible that the provisions for a workers compensation law, plan or any similar law or plan may hold you or us legally liable for any injury where payments have been made or would otherwise be made under Section 4. of this endorsement. If this happens, we agree that we will make no further payments under Section 4. if Section 5. of this endorsement applies.

Section 5. Legal Liability Under Workers Compensation Law

- A. If benefits are payable under a workers compensation or occupational disease law of any state, country or subdivision of a country other than the United States of America, its territories or possessions or Canada, we will reimburse you up to but not in excess of the cost of benefits that have been payable under the workers compensation law of the state designated in Item 1. of the Schedule of this endorsement.
- B. We will not be liable for any loss for which you had other valid and collectible insurance.
- C. We assume no obligation to defend any suit or proceeding against you outside of the United States of America, its territories or possessions or Canada.
- D. The coverage Section 5. affords does not cover fines or penalties imposed on you for failure to comply with the requirements of any workers compensation or occupational disease law of any state, country or subdivision of a country.

Section 6. Repatriation Expense

This section only applies to coverage provided for in Sections 4. and 5. of this endorsement.

Medical expenses include additional expenses of repatriation to the United States of America incurred as a result of bodily injury to employees. In the event an employee is injured, our liability is limited to the amount by which these expenses exceed the normal cost of returning the employee. In the event of an employee's death, our liability is limited to the amount by which the expenses of returning the body exceed the normal cost of returning an employee who is alive and in good health.

Our liability will never exceed the amount indicated in Item 2. of the Schedule of this endorsement for one

covered employee or accident.

The policy does not afford coverage for repatriation expenses unless a specific limit of liability for each covered employee and accident appears in Item 2. of the Schedule of this endorsement.

Section 7. Employers Liability

The following agreement replaces Section B of Part Two—Employers Liability of the policy with respect to the coverage this endorsement provides:

A. We Will Pay

We will pay, on your behalf, all sums which you become legally obligated to pay as damages because of bodily injury by accident or disease, including resulting death, sustained in any state or country or subdivision of a country other than the United States of America, its territories or possessions or Canada by any of your employees arising out of and in the course of employment by you.

The following provisions apply to Section 7. of this endorsement:

A. We will reimburse you for all reasonable expenses you incur, including attorneys fees in defending any suit against you alleging injury and seeking damages on account of any insurance this section of this endorsement affords. We assume no obligation to defend any suit or any proceeding brought against you outside the United States of America, its territories or possessions or Canada.

B. The limit of our liability under Part Two will be in accordance with the following provisions:

The words "damages because of bodily injury by accident or disease, including resulting in death" in Part Two include damages for care and loss of services. These words also include damages for which you are liable because of suits or claims others bring against you to recover the damages obtained from such others because of bodily injury your employees sustain arising out of and in the course of their employment.

The limit of liability in Item 3. of the Schedule of this endorsement which applies to bodily injury by accident is the total limit of our liability for all damages because of bodily injury by accident including resulting death that one or more employees sustain.

The limit of liability in Item 3. of the Schedule of this endorsement which applies to bodily injury by disease is the total limit of our liability for all damages because of bodily injury by disease including resulting death that one or more employees sustains in any one state, country or subdivision of a country outside the United States of America, its territories or possessions or Canada listed in Item 1. of the Schedule of this endorsement.

The limits of liability designated in this endorsement supersede and are not cumulative with any limit(s) of liability elsewhere in the policy. The inclusion of more than one insured does not increase the limits of our liability.

Section 8. Premium

In addition to the provisions of Part V—Premium of the policy, the following provisions will apply to this endorsement:

A. We will compute the premium for this coverage in accordance with Part Five of the policy, upon all remuneration paid to employees while traveling or temporarily residing outside the United States of America, its territories or possessions or Canada for a period of no longer than ninety days.

B. We will determine the premium for this coverage on the basis of the workers compensation rules, classifications and rates in accordance with the manuals we use for the state workers compensation law designated in Item 1. of the Schedule of this endorsement.

C. You must maintain payroll records for any employees covered by the provisions of this endorsement.

Section 9. Other Insurance

The following provision replaces Section E of Part One and Section F of Part Two of the policy with respect to the coverage this endorsement provides:

The insurance for a loss covered by this endorsement will be excess insurance over and above any other insurance except with respect to insurance provided under Section 5. The limits of liability for this insurance will be reduced by an amount equal to the limits of liability other insurance affords

Schedule

| 1. Name(s) of Employees | State or Country of Operations | Designated Workers Compensation Law |
|--|---|-------------------------------------|
| ANY US EMPLOYEE WHILE TEMPORARILY OUTSIDE OF THE UNITED STATES OR CANADA | ANYWHERE ELSE IN THE WORLD UNLESS SUBJECT TO TRADE/ECONMIC SANCTIONS BY US. | NY |

2. Limits of Liability for Repatriation Expense

\$ 15,000 Each employee

\$ 50,000 Each accident

3. Limits of Liability for Part Two—Employers Liability

\$ 1,000,000 Bodily Injury by accident each accident

\$ 1,000,000 Bodily Injury by disease each employee

\$ 1,000,000 Bodily Injury by disease policy limit

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



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| Policy Period 05-19-2020 TO 12-01-2020 | Policy Number Symbol: RWC Number: C5859426A |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | Effective Date of Endorsement 05-19-2020 |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

NEW YORK WORKERS COMPENSATION POLICYHOLDER NOTICE OF RIGHT TO APPEAL

Policyholder Disputes

Policyholders are entitled to inquire, challenge and dispute issues relating to classification, ownership, premium auditing, and/or other New York Compensation Insurance Rating Board (NYCIRB) rulings or decisions pertaining to this policy. Please refer to the Employer's Appeal Process noted below.

Inquiries may also be directed to the New York State Department of Financial Services (DFS) at:

<http://www.dfs.ny.gov/about/contactus.htm#consumer>

or by calling the Consumer Hotline at 800- 342 – 3736 (Monday through Friday, 8:30 AM to 4:30 PM).

Policyholder Right to Appeal

An insured, or its representative, (hereafter referred to as "insured"), may appeal the application of a rule or procedure contained in the NY Workers Compensation & Employers Liability Manual. Rules or procedures are defined as those determinations, either by a carrier or the Rating Board, which define the variables which makeup the policy conditions. Examples include: classification codes, ownership information, premium audits, and any other determination which may affect the policy.

To be considered for review, a written request explaining the reason(s) for the appeal must be submitted to the Rating Board. Upon receipt of the request for review, the following actions will be taken:

1. A staff member will review the request and respond to the insured within sixty (60) days, in writing, acknowledging receipt of the request, granting the insured its request or sustaining its original ruling.
2. The insured, if not satisfied with the outcome in 1. above, may then request, in writing, a conference with members of the Rating Board staff. The request must state the nature of the complaint and contain any supporting documents. The appropriate Department Vice President or his or her designated representative, if appropriate, will preside at the conference.
3. If the dispute is not resolved at the conference, the insured may then appeal to the Underwriting Committee of the Rating Board for a hearing to consider the staff ruling. This appeal must be in writing and must specify the reason(s) for the appeal and the nature of the complaint.

Following receipt of the appeal, the insured will be notified regarding the time and place for the hearing. The appeal will be heard at the next Underwriting Committee meeting for which appropriate time can be given for this matter. Subsequent to the hearing, the insured will be advised, in writing, of the Underwriting Committee decision regarding its complaint.

4. If the Underwriting Committee ruling is not satisfactory to the insured, the insured may then request a hearing at the New York State Department of Financial Services to consider the decision of the Rating Board's Underwriting Committee.
5. The New York State Department of Financial Services decision may be appealed to a higher court, by either the insured or the Rating Board.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

NEW YORK – CONTROLLED INSURANCE PROGRAM – AMENDATORY ENDORSEMENT

This endorsement applies because the policy is providing workers compensation coverage as part of a Controlled Insurance Program. The Project Sponsor of this Controlled Insurance Program is:

AHOLD USA, INC.

("Project Sponsor").

This policy is amended to reflect the following changes and/or additions to clarify the policy provisions as they apply to the operations of Controlled Insurance Programs.

General Section, Item E. **Locations** is replaced with the following:

E. **Locations**

This policy covers operations conducted at the workplace defined in the Designated Workplace Exclusion.

Part Five - Premium, Item D. is replaced with the following:

D. **Premium Payments**

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

Part Five - Premium, Item E. is replaced with the following:

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 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 Project Sponsor paid to us, the Project Sponsor must pay us the balance. If it is less, we will refund the balance to the Project Sponsor. The final premium will not be less than the highest minimum premium for the classifications covered by this policy.

Part Six - Conditions, Item E. **Sole Representative** is replaced with the following:

E. Sole Representative

The Project Sponsor will act on behalf of the insured named in Item I of the Information Page with respect to changes in this policy, premium payments, receiving return premiums, claim payments, claim information and claim settlement agreements. Notices of cancellation will be mailed to the Project Sponsor and each Named Insured in accordance with the Conditions contained in the policy. The Project Sponsor shall be bound by the terms and conditions of this policy.

F. Deductible Endorsement

The deductible endorsement attached to and made part of this policy applies solely with respect to the Project Sponsor. The duty to reimburse the insurance company and to provide collateral to secure the obligation to reimburse is solely the duties of the Project Sponsor.

All other terms, conditions and exclusions of this Policy remain unchanged.

A handwritten signature in black ink, consisting of stylized, overlapping loops and strokes, positioned above a horizontal line.

Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
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| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | Effective Date of Endorsement 05-19-2020 |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

EARLIER NOTICE OF CANCELLATION AND NON-RENEWAL ENDORSEMENT- NEW YORK

A. EARLIER NOTICE OF CANCELLATION

For any statutorily permitted reason, other than nonpayment of premium, the minimum number of days required for notice of cancellation as provided in either the Cancellation Condition of the policy or as amended by any applicable state cancellation endorsement is increased to 90 days.

If the state cancellation endorsement provides for more than the number of days' notice of cancellation shown above, this provision does not apply.

The minimum number of days' notice of cancellation shall not be less than 30 days as required by Section 54 of New York Workers Compensation Law.

B. EARLIER NOTICE OF NON-RENEWAL

If we decide not to renew this policy for any reason other than non-payment of premium, the minimum number of days for notice of non-renewal as provided by any applicable state non-renewal endorsement is increased to 90 days.

If the state non-renewal endorsement provides for more than the number of days' notice of non-renewal shown above, this provision does not apply.

The minimum number of days' non-renewal shall not be less than 30 days as required by Section 54 of New York Workers Compensation Law.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
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| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

**NOTICE OF ELECTION TO ACCEPT OR REJECT AN INSURANCE DEDUCTIBLE FOR
NEW YORK WORKERS' COMPENSATION BENEFITS**

New York law permits a benefits deductible in an amount up to \$5,000 to be offered to each policyholder. The premium reduction shall be determined by applying the appropriate percentage to the Manual Premium after experience modification.

| Deductible Amount | Deductible Amount |
|----------------------|----------------------|
| \$ 100 | \$ 1,000 |
| \$ 200 | \$ 1,500 |
| \$ 300 | \$ 2,000 |
| \$ 400 | \$ 2,500 |
| \$ 500 | \$ 5,000 |

You are not required to choose a deductible program. However, if you do so choose, it is to be understood that your insurance company will administer and pay all claims and that you will reimburse the insurance company for payments it makes within the amount of the deductible selected. Failure to reimburse the insurance company for such deductible amounts within 30 days can result in cancellation of coverage.

Please show whether or not you want the deductible by initialing the appropriate choice below.

- ☐ Yes, I want a deductible of _____ applied to benefits under the New York Workers' Compensation Law. I understand that the company shall pay the deductible amount and be reimbursed by the employer shown below.
- ☐ No, I do not want the deductible described in this Notice.

I understand that in accordance with the 1990 New York legislation (A7946D, S454-D), I have the option of modifying the above deductible program choice at the time of renewal of my workers' compensation insurance policy with the insurance company named above.

| | |
|------|----------|
| Date | Employer |
| | Name |
| | Title |



Authorized Agent

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

EXTENSION OF INFORMATION PAGE-CLASSIFICATION

| | |
|---------------------|-----------------------|
| POLICY NUMBER | |
| Symbol: RWC | Number: C5 85 94 26 A |
| PREVIOUS POLICY NO. | |
| Symbol: | Number: |

| | | |
|---|--------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> New | <input type="checkbox"/> Renewal | <input type="checkbox"/> Rewrite |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Partnership | |
| <input checked="" type="checkbox"/> Corporation | <input type="checkbox"/> | |

OHIO

Complete Item 4. of the Information Page

| Classifications | Code No. | Premium Basis | Rate | Estimated Premium |
|--|----------|------------------------------|---------------------------|-------------------|
| | | Estimated Total Remuneration | Per \$100 of Remuneration | |
| AHOLD AMERICAS HOLDINGS | | | | |
| EMPLOYERS' LIABILITY - STOPGAP COVERAGE - PAYROLL | 9139 | | .19 | 150. |
| ESTIMATED STANDARD POLICY PREMIUM | | | | 150. |
| CATASTROPHE PROVISIONS FOR TERRORISM - NOT PART OF STANDARD PREMIUM | 9740 | | .000 | 0. |
| EXPENSE CONSTANT (\$300.00 COLLECTED IN NY) | | | | |
| TOTAL | | | | 150. |
| Minimum, Estimated and Deposit Premiums are shown on the Information Page. FOR PERIOD INDICATED IN POLICY INFORMATION PAGE | | Total State Premium | | 150. |

THIS EXTENSION OF INFORMATION PAGE IS EFFECTIVE FOR THE POLICY PERIOD INDICATED ON THE POLICY INFORMATION PAGE UNLESS OTHERWISE STATED.

ISSUE DATE: 06/15/2020

(PAGE 1 LAST PAGE)

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
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| Policy Period 05-19-2020 TO 12-01-2020 | Effective Date of Endorsement 05-19-2020 |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

OHIO CANCELLATION AND NONRENEWAL ENDORSEMENT

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

The Cancellation Condition of the policy is replaced by these two Conditions.

Cancellation

1. You may cancel this policy. You will mail or deliver advance written notice to us, stating when the cancellation is to take effect.
2. We may cancel this policy. We will mail or deliver to you, by registered mail, not less than 30 days advance written notice stating when the cancellation is to take effect. Mailing this notice to you at your mailing address as 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.

Nonrenewal

1. We may elect not to renew the policy. We will mail to you not less than 30 days advance written notice stating when the nonrenewal will 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.



Authorized Representative

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

STOP GAP COVERAGE - OHIO THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement applies only to work in the State of Ohio.

- A. Part One (Workers' Compensation Insurance) does not apply to work in the State of Ohio.
- B. Part Two (Employer's Liability Insurance) applies to work in Ohio as though it was shown in item 3A of the Information Page.
- C. Part Two (Employers Liability Insurance) C. **Exclusions** 5. is deleted in its entirety and replaced with:

5. Bodily injury intentionally caused or aggravated by you. However:
- a. This exclusion does not apply to bodily injury alleged or determined to have been committed by you or at your direction with the belief that an injury is substantially certain to occur; and
 - b. We agree to defend any claim, proceeding or suit against you for bodily injury alleged to be intentionally caused or aggravated by you.

- D. Part Two (Employers Liability Insurance) C. **Exclusions** is changed by adding these exclusions:

- 13. bodily injury to any member of the flying crew of any aircraft.
- 14. bodily injury to any employee when you are deprived of common law defenses or are subject to penalty because of your failure to secure your obligations under the workers' compensation law of any state or otherwise fail to comply with that law.
- 15. claims against you if you are subject to the requirements of any workers' compensation or occupational disease law and you:
 - a) are deprived of a defense or subjected to a penalty because you fail to make premium payments or to comply with other provisions of the law; or
 - b) are not a legally qualified self-insurer or a member or subscriber in good standing of a Fund established by a state or other governmental body for workers' compensation and occupational disease insurance.

- E. Part Two (Employers Liability Insurance) G. **Limits of Liability** is deleted in its entirety and replaced with the following:

G. Limits of Liability

Our liability to pay for damages is limited. Our limits of liability are shown in the Schedule. 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 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.

Limits of Liability

| | | |
|---------------------------|---------------------|---------------|
| Bodily Injury by Accident | \$ <u>1,000,000</u> | each accident |
| Bodily Injury by Disease | \$ <u>1,000,000</u> | policy limit |
| Bodily Injury by Disease | \$ <u>1,000,000</u> | each employee |



Authorized Agent

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

EXTENSION OF INFORMATION PAGE-CLASSIFICATION

POLICY NUMBER

Symbol: RWC Number: C5 85 94 26 A

☒

New

☐

Renewal

☐

Rewrite

PREVIOUS POLICY NO.

☐

Individual

☐

Partnership

Symbol:

Number:

☒

Corporation

☐

WASHINGTON

Complete Item 4. of the Information Page

| Classifications | Code No. | Premium Basis | Rate | Estimated Premium |
|--|----------|------------------------------|---------------------------|-------------------|
| | | Estimated Total Remuneration | Per \$100 of Remuneration | |
| AHOLD AMERICAS HOLDINGS | | | | |
| EMPLOYERS' LIABILITY - STOPGAP COVERAGE - FLAT CHARGE | 9139 | | | 25. |
| ESTIMATED STANDARD POLICY PREMIUM | | | | 25. |
| CATASTROPHE PROVISIONS FOR TERRORISM - NOT PART OF STANDARD PREMIUM | 9740 | | .000 | 0. |
| EXPENSE CONSTANT (\$300.00 COLLECTED IN NY) | | | | |
| TOTAL | | | | 25. |
| Minimum, Estimated and Deposit Premiums are shown on the Information Page. FOR PERIOD INDICATED IN POLICY INFORMATION PAGE | | Total State Premium | | 25. |

THIS EXTENSION OF INFORMATION PAGE IS EFFECTIVE FOR THE POLICY PERIOD INDICATED ON THE POLICY INFORMATION PAGE UNLESS OTHERWISE STATED.

ISSUE DATE: 06/15/2020

(PAGE 1 LAST PAGE)

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

EXTENSION OF INFORMATION PAGE-CLASSIFICATION

| | |
|---------------------|-----------------------|
| POLICY NUMBER | |
| Symbol: RWC | Number: C5 85 94 26 A |
| PREVIOUS POLICY NO. | |
| Symbol: | Number: |

| | | |
|---|--------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> New | <input type="checkbox"/> Renewal | <input type="checkbox"/> Rewrite |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Partnership | |
| <input checked="" type="checkbox"/> Corporation | <input type="checkbox"/> | |

WYOMING

Complete Item 4. of the Information Page

| Classifications | Code No. | Premium Basis | Rate | Estimated Premium |
|--|----------|------------------------------|---------------------------|-------------------|
| | | Estimated Total Remuneration | Per \$100 of Remuneration | |
| AHOLD AMERICAS HOLDINGS | | | | |
| EMPLOYERS' LIABILITY - STOPGAP COVERAGE - PAYROLL | 9139 | | .19 | 150. |
| ESTIMATED STANDARD POLICY PREMIUM | | | | 150. |
| CATASTROPHE PROVISIONS FOR TERRORISM - NOT PART OF STANDARD PREMIUM | 9740 | | .000 | 0. |
| EXPENSE CONSTANT (\$300.00 COLLECTED IN NY) | | | | |
| TOTAL | | | | 150. |
| Minimum, Estimated and Deposit Premiums are shown on the Information Page. FOR PERIOD INDICATED IN POLICY INFORMATION PAGE | | Total State Premium | | 150. |

THIS EXTENSION OF INFORMATION PAGE IS EFFECTIVE FOR THE POLICY PERIOD INDICATED ON THE POLICY INFORMATION PAGE UNLESS OTHERWISE STATED.

ISSUE DATE: 06/15/2020

(PAGE 1 LAST PAGE)

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
| Named Insured VALLE TILE & MARBLE CORP 209-47 34 ROAD BAYSIDE NY 11361 | Endorsement Number |
| | Policy Number Symbol: RWC Number: C5859426A |
| Policy Period 05-19-2020 TO 12-01-2020 | Effective Date of Endorsement 05-19-2020 |
| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

WYOMING AMENDATORY ENDORSEMENT

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

PART TWO -- EMPLOYERS LIABILITY INSURANCE

D. We Will Defend is amended by addition of the following:

The tender of policy limits before judgment or settlement does not relieve us of the duty to defend.

PART SIX – CONDITIONS

D. Cancellation is amended to read:

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. If the policy has been in effect for 60 days or more, or is a renewal of a previously existing policy for a term longer than 60 days, we may cancel only for one of the following reasons:
 - a. Failure to pay premium when due.
 - b. The policy was issued because of a material misrepresentation of fact.
 - c. There is a substantial change in the risk assumed, except to the extent that we should have reasonably foreseen or contemplated the change at the time that the policy was written.
 - d. There is a substantial breach of contractual duties, conditions or warranties.
3. We will deliver to you and your agent, or mail to you and your agent written notice of cancellation at your last known address. Proof of mailing shall be sufficient proof of notice.
4. If we cancel because you do not pay all premium when due, we will mail the notice of cancellation at least 10 days before the cancellation is to take effect. If we cancel for any other reason, except a material misrepresentation of fact, we will mail the notice of cancellation not less than 45 days before the cancellation is to take effect. Our notice will state the reasons for cancellation.

Nonrenewal

We may elect not to renew the policy. We will deliver to you and your agent, or mail to you and your agent, written notice at your last known address, not less than 45 days prior to the expiration or anniversary date of the policy. Our notice of nonrenewal will state the reasons for nonrenewal.



Authorized Agent

ISSUING COMPANY
ACE AMERICAN INSURANCE COMPANY
NCCI CARRIER CODE
12165

EXTENSION OF INFORMATION PAGE-CLASSIFICATION

| | |
|---------------------|-----------------------|
| POLICY NUMBER | |
| Symbol: RWC | Number: C5 85 94 26 A |
| PREVIOUS POLICY NO. | |
| Symbol: | Number: |

| | | |
|---|--------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> New | <input type="checkbox"/> Renewal | <input type="checkbox"/> Rewrite |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Partnership | |
| <input checked="" type="checkbox"/> Corporation | <input type="checkbox"/> | |

Complete Item 4. of the Information Page

| Classifications | Code No. | Premium Basis | Rate | Estimated Premium |
|---|----------|------------------------------|---------------------------|-------------------|
| | | Estimated Total Remuneration | Per \$100 of Remuneration | |
| FOREIGN VOLUNTARY | | | | 0. |
| Minimum, Estimated and Deposit Premiums are shown on the Information Page. FOR PERIOD INDICATED IN POLICY INFORMATION PAGE | | | | 0. |
| Total State Premium | | | | 0. |

THIS EXTENSION OF INFORMATION PAGE IS EFFECTIVE FOR THE POLICY PERIOD INDICATED ON THE POLICY INFORMATION PAGE UNLESS OTHERWISE STATED.

ISSUE DATE: 06/15/2020

(PAGE 1 LAST PAGE)

Workers' Compensation and Employers' Liability Policy

| | |
|---|--|
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| Issued By (Name of Insurance Company) ACE AMERICAN INSURANCE COMPANY | Effective Date of Endorsement 05-19-2020 |
| Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy. | |

VOLUNTARY COMPENSATION ENDORSEMENT FOREIGN

This endorsement adds Foreign Voluntary Compensation Insurance to the Policy.

A. How this Insurance Applies

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

1. The bodily injury must be sustained by a person who is your employee included in the group of employees described in the Schedule.
2. The bodily injury must occur in the course of the insured employee's employment by you in the country or countries designated in the Schedule or while being transported to or from the United States of America, its territories or possessions, or Canada, and the employment must be necessary or incidental to work in a country listed in the Schedule.
3. This insurance applies only to employees you hire within the limits of the United States of America while they are traveling or temporarily residing outside the United States of America, its territories or possessions or Canada for a period no longer than thirty days.
4. We will reimburse you for the benefits required by this endorsement if we are not permitted to pay the benefits directly to persons entitled to them.

B. We will Pay

1. We will pay an amount equal to the benefits that would be required of you if you and your employees described in the Schedule were subject to the workers' compensation law shown in item 1 of the Schedule. We will pay those amounts to the persons who would be entitled to them under the law.
2. Provided a separate specific premium is charged and indicated, we will pay such additional expenses as reasonably may be incurred over and above normal transportation costs for repatriation of employees suffering from bodily injury or diseases covered by this endorsement (including the bodies of employees injured fatally) from a Designated Country to a destination in the United States of America or Canada provided that such injuries make repatriation necessary in the opinion of competent medical authorities. Our liability is limited to the amount shown in the schedule with respect to any one employee.

C. Exclusions

This insurance does not cover:

1. Any obligation imposed by a workers compensation or occupational disease law, or any similar law.
2. Bodily injury intentionally caused or aggravated by you.
3. Any obligation imposed by the United States Longshoremen's and Harbor Workers' Compensation Act.
4. 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 Non-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.

5. 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.
6. 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;

D. Before We Pay

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
2. Transfer to us their right to recover from others who may be responsible for the injury or death.
3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

F. Employers Liability Insurance

Part Two (Employers Liability Insurance) applies to bodily injury covered by this endorsement as though the country shown in the Schedule were shown in item 3.A of the information Page.

SCHEDULE

| A. <u>Employees</u> | Designated Country and/or <u>Location of Operations</u> | Designated Workers' <u>Compensation Law</u> |
|--|---|---|
| ANY US EMPLOYEE WHILE TEMPORARILY OUTSIDE THE UNITED STATES OR CANADA. | ANYWHERE ELSE IN THE WORLD UNLESS SUBJECT TO TRADE/ECONOMIC SANCTIONS BY US. | CT, DC, DE, IL, MA MD, NJ, PA, RI, VA, WV |

B. REPATRIATION LIMIT \$ 500,000.00

REPATRIATION PREMIUM \$ INCLUDED

This endorsement is not applicable in the following states: AZ, MN, NJ, NC, PA, TN and WI. For the states of CA, CT, FL, MI and NY refer to state specific endorsements.



Authorized Representative

CHUBB GROUP U.S. PRIVACY NOTICE

| FACTS | WHAT DOES THE CHUBB GROUP DO WITH YOUR PERSONAL INFORMATION? |
|--------------|--|
| Why? | Insurance companies choose how they share your personal information. Federal and state law gives consumers the right to limit some but not all sharing. Federal and state law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do. |
| What? | <p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> ▪ Social Security number and payment history ▪ insurance claim history and medical information ▪ account transactions and credit scores <p>When you are no longer our customer, we continue to share information about you as described in this notice.</p> |
| How? | All insurance companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons insurance companies can share their customers' personal information; the reasons the Chubb Group chooses to share; and whether you can limit this sharing. |

| Reasons we can share your personal information | Does Chubb share? | Can you limit this sharing? |
|---|-------------------|-----------------------------|
| For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus | Yes | No |
| For our marketing purposes – to offer our products and services to you | Yes | No |
| For joint marketing with other financial companies | Yes | No |
| For our affiliates' everyday business purposes – information about your transactions and experiences | Yes | No |
| For our affiliates' everyday business purposes – information about your creditworthiness | No | We don't share |
| For our affiliates to market to you | No | We don't share |
| For nonaffiliates to market to you | No | We don't share |
| Questions? Call 1-800-258-2930 or go to https://www2.chubb.com/us-en/privacy.aspx | | |

| | |
|--|---|
| Who is providing this notice? | |
| The Chubb Group. A list of these companies is located at the end of this document. | |
| What we do | |
| How does Chubb Group protect my personal information? | <p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>We restrict access to personal information to our employees, affiliates' employees, or others who need to know that information to service the account or to conduct our normal business operations.</p> |
| How does Chubb Group collect my personal information? | <p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ▪ apply for insurance or pay insurance premiums ▪ file an insurance claim or provide account information ▪ give us your contact information <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p> |
| Why can't I limit all sharing? | <p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ▪ sharing for affiliates' everyday business purposes – information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p> |
| Definitions | |
| Affiliates | <p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ Our affiliates include those with a Chubb name and other companies, such as Westchester Fire Insurance Company and Great Northern Insurance Company. |
| Nonaffiliates | <p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ Chubb does not share with nonaffiliates so they can market to you. |
| Joint Marketing | <p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> ▪ Our joint marketing partners include categories of companies such as banks. |

Other important information

For Insurance Customers in AZ, CA, CT, GA, IL, MA, ME, MN, MT, NV, NC, NJ, OH, OR, and VA only:

Under state law, under certain circumstances, you have the right to see the personal information about you that we have on file. To see your information, write Chubb Group Attention: Privacy Inquiries, 202 Hall's Mill Road, P.O. Box 1600, Whitehouse Station, NJ 08889-1600. Chubb may charge a reasonable fee to cover the costs of providing this information. If you think any of the information is not accurate, you may write us. We will let you know what actions we take. If you do not agree with our actions, you may send us a statement. If you want a full description of privacy rights that we will protect in accordance with the law in your home state, please contact us and we will provide it. We may disclose information to certain third parties, such as law enforcement officers, without your permission.

For Nevada residents only: We may contact our existing customers by telephone to offer additional insurance products that we believe may be of interest to you. Under state law, you have the right to opt out of these calls by adding your name to our internal do-not-call list. To opt out of these calls, or for more information about your opt out rights, please contact our customer service department. You can reach us by calling 1-800-258-2930, emailing us at privacyinquiries@Chubb.com, or writing to Chubb Group, Attention: Privacy Inquiries, 202 Hall's Mill Road, P.O. Box 1600, Whitehouse Station, NJ 08889-1600. You are being provided this notice under Nevada state law. In addition to contacting Chubb, Nevada residents can contact the Nevada Attorney General for more information about your opt out rights by calling 775-684-1100, emailing bcpinfo@ag.state.nv.us, or by writing to: Office of the Attorney General, Nevada Department of Justice, Bureau of Consumer Protection: 100 North Carson Street, Carson City, NV 89701.

For Vermont residents only: Under state law, we will not share information about your creditworthiness within our corporate family except with your authorization or consent, but we may share information about our transactions or experiences with you within our corporate family without your consent.

Chubb Group Companies Providing This Notice

This notice is being provided by the following Chubb Group companies to their customers located in the United States: ACE American Insurance Company, ACE Capital Title Reinsurance Company, ACE Fire Underwriters Insurance Company, ACE Insurance Company of the Midwest, ACE Life Insurance Company, ACE Property and Casualty Insurance Company, Agri General Insurance Company, Atlantic Employers Insurance Company, Bankers Standard Fire and Marine Company, Bankers Standard Insurance Company, Century Indemnity Company, Chubb Custom Insurance Company, Chubb Indemnity Insurance Company, Chubb Insurance Company of New Jersey, Chubb Lloyds Insurance Company of Texas, Chubb National Insurance Company, Executive Risk Indemnity Inc., Executive Risk Specialty Insurance Company, Federal Insurance Company, Great Northern Insurance Company, Illinois Union Insurance Company, Indemnity Insurance Company of North America, Insurance Company of North America, Pacific Employers Insurance Company, Pacific Indemnity Company, Penn Millers Insurance Company, Texas Pacific Indemnity Company, Vigilant Insurance Company, Westchester Fire Insurance Company and Westchester Surplus Lines Insurance Company.



Chubb Producer Compensation Practices & Policies

Chubb believes that policyholders should have access to information about Chubb's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.chubbproducercompensation.com> or by calling the following toll-free telephone number: 1-866-512-2862.

TOXIC SUBSTANCES: EMPLOYEES HAVE A RIGHT TO KNOW

A state law giving employees the right to information about hazardous chemicals can enhance an employer's ability to reduce occupational illness and thereby lower insurance and related costs, according to the New York State Attorney General. The New York State Toxic Substances Right to Know Law, N.Y. Labor Law Article 28, which is enforced by the Attorney General and the N.Y. Department of Labor, became effective in January, 1981. It requires that all employers in New York State inform their employees about the health hazards of toxic substances in their workplaces.

According to the Attorney General, voluntary compliance with the law is the key to prevention of occupational illness and injury. When employers provide workers with information about job-related health risks, those workers are better able to make informed, intelligent decisions about the need for corrective and preventative action. In that way, occupational illness and employer costs related to worker illness and injury are reduced. In this article, the Attorney General describes the law and its requirements.

The law's requirements are triggered by the existence of toxic substances in a workplace. A "toxic substance" is any substance which is listed in the Registry of Toxic Effects of Chemical Substances published by the National Institute of Occupational Safety and Health (NIOSH) and any other substance which has been demonstrated to cause short or long-term health hazards in human beings or animals. NIOSH's Registry of Toxic Effects includes approximately 60,000 chemical substances. Many toxic substances, such as asbestos, formaldehyde, mercury, or PCB's, are easy to recognize without special knowledge or expertise. Often an employer can determine which products used or handled in its workplace contain toxic substances. For example, products used by painters (paints and solvents) and maintenance workers (cleaning agents) usually contain toxic substances.

If an employer is uncertain whether a substance in the workplace is toxic, the first place to turn for information is to the manufacturer, supplier, importer, or distributor of the product. Under the law, the company from whom the product is obtained is required to provide the employer with information about the toxic substances present in the product. Form letters to request such information are available from the Labor Bureau of the Attorney General's Office. In addition, the New York State Department of Health has a special unit which gathers data on toxic substances and provides that information to the public.

Under the law, an employer is required to take the following steps.

Post Informational Notices. An employer is required to post a notice in a place accessible to workers, such as an employee bulletin board, telling workers that they have a right to obtain information about toxic substances at their worksites. The name and location of a contact person must be included. Notices for this purpose are available from the New York State Department of Health.

Provide Education and Training. An employer is required to train employees before they begin working with a toxic substance and annually thereafter. When a new toxic substance is introduced, an employer must provide training for that substance before employees work with it.

The education and training program must include the following information at a minimum: must be tailored to an individual workplace environment and include an oral and written explanation of the location of the toxic substances in the workplace; the names of the toxic substances; acute and long- range effects of exposure; routes of transmission, target organs, retention and accumulation of toxic substances in the body, the symptoms of exposure; the substances' potential for flammability, explosion and reactivity with air and other substances; biological threshold level of exposure, the inability of the body to reverse some toxic effects, the proper emergency treatment; the proper conditions for safe use and the procedures for safe clean-up of leaks or spills of the substances, safety and health laws, ordinances or regulations or other requirements or standards for handling and use. How to read an MSDS or chemical data sheet; protective gear or equipment and when it is to be used; the sources where they can obtain further information including addresses and telephone numbers listed in Labor Law, section 876 (3); the employees right to refuse to work with a toxic substance for which a request for information was made but not responded to within 72 hours of the request, the right to lose pay or forfeit. If a substantial number of the employees in any training group cannot comprehend the English training course a program must be provided in that language as well as English.

RE: LOSS CONTROL SERVICE

Chubb and its affiliated companies take pleasure in informing you of the availability of "Loss Control Services" available to the policyholder. Depending upon the size, complexity and needs of your operation, we are prepared to provide "Loss Control Service" reasonably commensurate with the exposures, hazards and experience presented by your business. This program is intended to promote occupational safety and health and to control or reduce losses to employees. It does not relieve employers of their responsibility for furnishing safe places of employment.

For further information or assistance, please contact your insurance agent.

What is a premium audit adjustment? Is it really necessary? Who conducts the audit? What records will be needed? How should records be maintained?

WHAT IS A PREMIUM AUDIT?

A premium audit is an examination of your business operations, records, and books of account to determine the exposures for the insurance coverages provided.

WHEN IS A PREMIUM AUDIT ADJUSTMENT NECESSARY?

An audit adjustment is necessary after expiration, cancellation, or at intervals specified in your policy.

Some examples of coverages which require adjustment are:

- Workers' Compensation ▪ General Liability
- Commercial Automobile ▪ Garage Liability
- Commercial Package

WHY IS AN AUDIT ADJUSTMENT NECESSARY?

Since these types of coverages are based upon variable estimates at inception, adjustment at expiration is necessary to determine the correct classifications and exposures for the coverages provided. It guarantees that you pay, only the amount the company is entitled to receive.

WHO WILL MAKE THE AUDIT?

You may expect a physical (on-site) visit from a Chubb Premium Auditor upon examination or cancellation of your coverage and he/she will make the audit.

In some cases, however, the adjustment information can be obtained by telephone or through the mail services. If so, the company will contact you or send the necessary form(s) for you to complete.

WHAT RECORDS WILL BE NEEDED?

The Auditor will want to examine your records which show and verify actual exposures for the coverages provided.

In most cases, the necessary data can be extracted from two or more of the following:

- Journals
- Tax Reports
- Individual Pay Records
- Job Cost Records
- Ledgers
- Contracts
- Vehicle Certificates of Title
- Financial Statements

During the examination, the Auditor will ask questions about your records or business in order to fully understand the nature and extent of your exposures. This is a necessary part of the process of gathering correct data. We also encourage you to ask questions relative to the auditing process.

The Auditor may wish to tour your facility and personally observe various operations and processes. In some cases, this is necessary to ascertain the correct classification and, in turn, assure that proper premium charges are applied.

HOW SHOULD YOUR RECORDS BE MAINTAINED?

Often, there are allowable credits according to insurance classification and rating rules. These credits will be allowed if your records are maintained to provide necessary data in appropriate summary form.

Many of the premiums for Commercial Insurance are based upon payroll, which is defined as **Total Remuneration for services performed by an employee.**

Remuneration, in most states, means money or substitutes for money, and includes:

- Wages
- Bonuses
- Holiday Pay
- Tool Allowances
- Sick Pay
- Payments made to Profit Sharing Plans
- Payments made to Statutory benefit plans
- Commissions
- Overtime Pay
- Other Money Substitutes
- Payment for Piece Work
- The Value of Board and Lodging

The Auditor may also request other bases of premium such as sales receipts, costs, etc., as these are used in various lines of public liability insurance.

OVERTIME

In most states, the amount in excess of the straight time pay rate may be deducted, provided it can easily be identified on your records. Overtime must be shown separately by employee and in summary by class of work.

DIVISION OF PAYROLL

Division of an individual employee's payroll to more than one classification is not permitted, except for construction or erection operations and/or certain executive officer classifications. For construction or erection operations, the payroll of an employee may be allocated to each type of work performed, provided proper records are maintained. If not, the full salary must be charged against the highest rated classification to which the employee is exposed.

SUB-CONTRACTORS

State Workers' Compensation laws generally hold you responsible for injuries to an employee of an *uninsured Sub-Contractor*.

You may protect your interests by securing a *Certificate of Insurance* from each Sub-Contractor you use. If certificates are not available at the time of Audit, the Sub-Contractor's exposure must be added to yours which will increase your insurance costs.

NOTE:

The two (2) preceding paragraphs refer to Workers' Compensation. For General Liability audits, the total cost of sublet work and certificates of the sub-contractor's liability coverage will be required.

AUTOMATED RECORDS

If your records are Automated, or you plan to Automate in the near future, you can obtain maximum benefits by setting up your programs to include Insurance Requirements.

A Chubb Premium Auditor will be pleased to assist you in identifying Insurance Record Keeping Requirements. Simple questions can be answered by phone or mail. More complex matters may require the services of a Premium Auditor at your premises. In either case, we will be pleased to help you avoid future audit problems, thereby avoiding unnecessary costs.

Your agent can request this service for you and we will be pleased to provide it at no cost.

AFTER THE AUDIT IS COMPLETED

The Auditor will be happy to explain the audit to you. You are entitled to a copy of the worksheets upon request, and the Auditor will provide it or arrange to have it sent to you.

We are not allowed to provide anyone else with copies of your Audit results as this information is considered confidential. You may request additional copies at any time and we will send them to your attention for further distribution.

The contents of this publication follow general insurance principles. It is not intended to replace or supercede any definitions or conditions contained in your policy.

If you have questions concerning your insurance coverage, we recommend you bring them to the attention of your local insurance agent.

NEW YORK WORKERS COMPENSATION

October 1, 2019 LOSS COST REVISION

EXPLANATORY MEMORANDUM

An overall loss cost level increase of 10.0%, which includes a decrease of 10.3% in the average manual loss cost level and no change in the loss cost provision for terrorism, natural disasters and catastrophic industrial accidents, has been approved by the New York State Department of Financial Services to become effective on October 1, 2019.

The following is a description of the various components of the approved change:

Loss Experience – The latest two policy years of experience produced a 3.5% decrease in the overall loss cost level.

Legislative Changes – This revision includes an estimate of the cost impact of the latest increases in the maximum weekly benefits that were set forth in the 2007 workers' compensation reform legislation. This component contributed an increase of 0.9% to the overall change.

Loss Adjustment Expenses – A review of the latest data available resulted in a 0.4% increase in the Loss Adjustment Expense provision.

Future Trends – The latest analysis of New York claim severity and claim frequency indicates a continuing small decrease in claim frequency, a small upward trend in indemnity claim costs and a slightly decreasing trend in medical claim costs. Combined with a projected wage trend, the final selected net trend factor is -8.2%.

Catastrophe Provision – This revision contains no changes in the loss cost provisions for terrorism and for natural disasters and catastrophic industrial accidents.

Classification Loss Costs – Although the average manual loss cost level is decreasing by 10.3%, individual classification loss cost changes are based on the most recently available loss experience for each classification. Both increases and decreases from the current loss costs have been actuarially calculated for each class. This process ensures that each classification loss cost reflects the appropriate level relative to the experience of the other classifications.

**U.S. FOREIGN ACCOUNT
TAX COMPLIANCE ACT (“FATCA”)**

The U.S. Foreign Account Tax Compliance Act, commonly known as “FATCA”, became the law in the U.S. in March of 2010 and becomes effective July 1, 2014. Pursuant to FATCA, brokers, producers, agents and/or clients may need to obtain withholding certificates from insurance companies. For information on how to obtain the applicable withholding certificate from Chubb U.S. insurance companies, please go to the following web site:

<http://www2.chubb.com/us-en/u-s-foreign-account-tax-compliance-act-fatca.aspx>

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 nonoccupational 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 Non 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 there under, 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.

By signing and delivering the policy to you, we state that it is a valid contract when countersigned by our authorized representative.

ACE AMERICAN INSURANCE COMPANY

436 Walnut Street

P.O. Box 1000

Philadelphia, PA 19106 - 3703


REBECCA L. COLLINS, Secretary


JOHN J. LUPICA, President