

Massachusetts Trade Self-Insurance Group - Underwriting Guidelines

Binding/Underwriting Authority

Risks are submitted directly to the Group Underwriting Department. All risks must be reviewed and approved, in writing, by Underwriting and the Group Underwriting Committee before binding.

Territory

Massachusetts Operations Only

Anniversary Date

All policies will have a common anniversary date of January 1st. Any participants who enter during the course of the year will be issued a short-term policy, then renewed annually on January 1st.

Pricing

Minimum Premium: \$3,000
Group-wide Deviation – 4%
DIA Assessment – 2.03% (savings of 3%)
No Expense Constant
Schedule A Premium Volume Discount

Eligible Class Codes

Predominant exposure must be in one of the following classifications:

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|------|--|
| 0035 | Florist |
| 2003 | Bakery (Wholesale Bakeries) |
| 2039 | Ice Cream Manufacturing |
| 2070 | Dairy or Creamery |
| 2585 | Laundry NOC |
| 4000 | Sand & Gravel Digging |
| 5191 | Office Machine Installation & Repair |
| 5192 | Vending Machine & Drivers |
| 7219 | Trucking NOC – All Employees |
| 7230 | Parcel or Package Delivery |
| 7231 | Mail, Parcel or Package Delivery |
| 7600 | Burglar Alarm Installation |
| 7380 | Drivers NOC |
| 8001 | Store: Florist |
| 8006 | Coffee, Tea or Grocery Dealer |
| 8008 | Store: Dry Goods – Retail |
| 8010 | Hardware Store Wholesale |
| 8018 | Beer or Ale Dealer – Wholesale |
| 8021 | Fish, Meat or Poultry Dealer – Whsl |
| 8032 | Clothing, Wearing Apparel, Dry Goods |
| 8034 | Grocery – Wholesale |
| 8046 | Store: Automobile Parts |
| 8048 | Fruit & Vegetable – Wholesale |
| 8058 | Building Material Dealer – (new mat'l) |
| 8107 | Machinery Dealer |
| 8111 | Plumber's Supplies Dealer |
| 8116 | Farm Machinery Dealer |
| 8203 | Ice Dealer |
| 8204 | Building Material Yard |
| 8209 | Vegetable Packing |
| 8215 | Feed, Hay or Grain Dealer |
| 8232 | Lumber Yard – New Materials Only |
| 8235 | Plywood Dealers |
| 8264 | Bottle Dealer |
| 8350 | Fuel Oil Dealers |
| 8742 | Collectors, Messengers, Salespersons |
| 8745 | News Agent, Distrib. of Magazines |

| | |
|------|-----------------------------------|
| 8751 | Route Salesperson |
| 9403 | Garbage Collection and Drivers |
| 9519 | Household Appliances (No Install) |
| 9521 | House Furnishings (No Install) |

Eligible SIC Codes

4100 to 4199; Local & Suburban Transit & Interurban, Highway Passenger Transportation

4200 to 4299; Motor Freight Transportation & Warehousing

5000 to 5199; Wholesale Trade (Risks Who Have Over 5 Delivery Trucks)

Some restrictions may apply.

Restricted Operations

These are exposures that are not to be added to the Group.

- No taxis, bus companies, ambulance risks
- No transportation of people or animals
- No courier services with timed routes
- No risks involved in the furniture moving and storage industry
- No owner operators without employees

Limited Operations

These are exposures that should be limited for the Group.

- Limited contracting exposures (carpentry, plumbing, heating, HVAC and other trades)
- Limited subcontracting exposures
- No limitation on radius of travel within the Continental United States. However, when statutory workers' compensation is required in states other than Massachusetts, based on operations or employees, proof of a separate policy for these other states shall be required.

Inspection Requirements

Pre-Inspection required on all submissions.

Submission Requirements – Quotes will be provided subject to the following:

- Completed WC ACORD 130 application
- Five years of currently valued loss runs
- Five years of written policy premium information
- Experience Rating Worksheets
- Number of employees by class and per location
- Current financial statement (CPA prepared).
If less than an audited statement, we must also receive the most recent tax return.
- Satisfactory loss control survey

Send all submissions to:

submissions@coverisk.com

Risk Sharing Corridor

Every member of this group may be responsible for a Risk Sharing Corridor of 10% of premium based on certain loss ratios as defined in the Application and Indemnity Agreement.

Dividend Plan

Members become eligible for dividends beginning with original policy inception. In accordance with state regulations, dividends may be dispersed following 3 years of claim maturity, in 4 annual installments of 25%. Dividends are based on available group surplus and must be approved by the Group's Board of Trustees. All members are eligible for dividends, regardless of claims experience or application of risk sharing corridor. Each member receives the same dividend percentage applied to the member's audited premium. Dividends are not guaranteed and percentages can change due to claims developments over time. See Member Agreement for additional details.

Payment Plans (NO installment fees)

- **Easy Pay / EFT:** 0% down, up to 12 monthly installments (all premium sizes)
- **Pay-As-You-Go:** All payroll options (ACH transfer required)
- **Pay Online:** By credit, debit and electronic check (fees apply for credit/debit)
- **Pay by Phone:** (24 hours/7 days) by credit, debit and electronic check (fees apply for credit/debit)
- **Paper Billing Options:**
 - Premiums < \$1,000: Pay in full
 - Premiums < \$2,000: 50% down/50% in 3 mos (2nd installment due in April, on renewal)
 - Premiums > \$2,000: 25% down and 6 installmts

Broker Commission

New Business: 10% (Promotional)
Renewal: 6%

Cove Risk Services

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