

Premier Dividend



Dividend Program Features

- One time calculation valued six (6) months after policy expiration date
- Receive 100% of declared dividend nine (9) months after policy expiration date
- There is no recapture provision
- No Loss Development Factor (LDF) or Incurred But Not Reported (IBNR) Factor applied

Dividend Payment Eligibility

- Audited Discounted Premium of \$10,000 or more
- All policy premiums, including audit adjustments must be paid in full; policies in audit dispute must be resolved prior to any dividend distribution
- Any policy placed in collections is not eligible for a dividend
- Policies with three (3) or more non-payment cancellation notices issued in the policy term are not eligible for a dividend
- The policy must remain in effect for the full policy period to be eligible for a dividend

The dividend calculation shall be made on eligible policies on the following basis: While the issuing insurance company's Board of Directors fully intends to declare dividends at the appropriate time, the potential dividend distribution is at the sole discretion of that Board. If that Board of Directors does not declare a dividend, no dividend distribution will be made to eligible policyholders. If that Board of Directors declares a dividend that is less than the amount needed to fund all of the potential maximum dividends for all eligible policies, your dividend will be reduced on a pro-rata basis. A payment will not be made on dividends that are calculated for \$25 or less.

Audited discounted premium means the premium determined at audit by the application of standard rates to the payroll exposure, plus any applicable premium charges, such as increased Employers Liability – Coverage B, approved Credit programs, Experience Modification and Premium Discount. Premium not in dividend calculation includes Expense Constant and Terrorism Risk Insurance Act (TRIA).

Incurred loss ratio means the total of all claim payments and open reserves for medical, indemnity and allocated loss adjustment expense (ALAE) applicable to the policy term divided by the audited discounted premium.



The Premier Dividend

Audited Discounted Premium	Dividend as a Percentage of Premium Incurred Loss Ratio							
	0%	≤ 5%	≤ 10%	≤ 15%	≤ 20%	≤ 25%	≤ 30%	≤ 35%
\$10,000 - \$19,999	9%	8%	7%	6%	6%	3%	1%	0%
\$20,000 - \$29,999	12%	11%	10%	9%	8%	5%	3%	0%
\$30,000 - \$39,999	16%	15%	14%	12%	12%	6%	4%	2%
\$40,000 - \$49,999	20%	18%	17%	15%	13%	7%	5%	3%
\$50,000 - \$74,999	25%	21%	19%	18%	15%	9%	6%	4%
\$75,000 - \$99,999	27%	23%	20%	19%	17%	12%	9%	5%
\$100,000 - \$149,999	35%	28%	24%	21%	18%	14%	9%	5%
\$150,000 - \$199,999	38%	30%	26%	23%	20%	15%	11%	6%
Over \$200,000	40%	34%	29%	24%	21%	16%	14%	8%

Dividends cannot be guaranteed and are at the discretion of the issuing insurance company's Board of Directors. The above exhibit illustrates the potential maximum dividend payable under this program. **This dividend only applies to premium and losses developed in the state(s) scheduled on the participating plan endorsement. Minimum audited discounted premium of \$10,000 and a loss ratio of 10% or under a flat dividend of 3% applies.**

Advantage Dividend



Dividend Program Features

- One time calculation valued six (6) months after policy expiration date
- Receive 100% of declared dividend nine (9) months after policy expiration date
- There is no recapture provision
- No Loss Development Factor (LDF) or Incurred But Not Reported (IBNR) Factor applied

Dividend Payment Eligibility

- Audited Discounted Premium of \$1,500 or more
- All policy premiums, including audit adjustments must be paid in full; policies in audit dispute must be resolved prior to any dividend distribution
- Any policy placed in collections is not eligible for a dividend
- Policies with three (3) or more non-payment cancellation notices issued in the policy term are not eligible for a dividend
- The policy must remain in effect for the full policy period to be eligible for a dividend

The dividend calculation shall be made on eligible policies on the following basis: While the issuing insurance company's Board of Directors fully intends to declare dividends at the appropriate time, the potential dividend distribution is at the sole discretion of that Board. If that Board of Directors does not declare a dividend, no dividend distribution will be made to eligible policyholders. If that Board of Directors declares a dividend that is less than the amount needed to fund all of the potential maximum dividends for all eligible policies, your dividend will be reduced on a pro-rata basis. A payment will not be made on dividends that are calculated for \$25 or less.

Audited discounted premium means the premium determined at audit by the application of standard rates to the payroll exposure, plus any applicable premium charges, such as increased Employers Liability – Coverage B, approved Credit programs, Experience Modification and Premium Discount. Premium not in dividend calculation includes Expense Constant and Terrorism Risk Insurance Act (TRIA).

Incurred loss ratio means the total of all claim payments and open reserves for medical, indemnity and allocated loss adjustment expense (ALAE) applicable to the policy term divided by the audited discounted premium.

Audited Discounted Premium	Total Possible Dividend as a Percentage of Premium Incurred Loss Ratio							
	0%	≤ 5%	≤ 10%	≤ 15%	≤ 20%	≤ 25%	≤ 30%	≤ 35%
\$1,500 - \$9,999	5%	5%	5%	5%	0%	0%	0%	0%
\$10,000 - \$19,999	6%	5%	5%	5%	5%	2%	0%	0%
\$20,000 - \$29,999	10%	7%	6%	5%	5%	3%	2%	0%
\$30,000 - \$39,999	12%	9%	8%	7%	5%	4%	2%	0%
\$40,000 - \$49,999	15%	11%	9%	7%	5%	4%	2%	0%
\$50,000 - \$74,999	20%	18%	16%	15%	12%	8%	5%	2%
\$75,000 - \$99,999	25%	22%	19%	17%	14%	10%	7%	4%
\$100,000 - \$149,999	28%	25%	22%	19%	16%	12%	8%	5%
\$150,000 - \$199,999	32%	28%	24%	21%	18%	14%	10%	6%
Over \$200,000	35%	32%	26%	23%	20%	15%	12%	8%

Dividends cannot be guaranteed and are at the discretion of the issuing insurance company's Board of Directors. The above exhibit illustrates the potential maximum dividend payable under this program. **This dividend only applies to premium and losses developed in the state(s) scheduled on the participating plan endorsement. Minimum audited discounted premium of \$1,500.**



The Advantage Dividend

10 Plus Dividend



Dividend Program Features

- 10% Flat Dividend (regardless of losses); plus a sliding scale dividend percentage based on losses
- Earn up to 30% return premium
- One time calculation valued six (6) months after policy expiration date
- 100% of declared dividend nine (9) months after policy expiration date
- There is no recapture provision
- No Loss Development Factor (LDF) or Incurred But Not Reported (IBNR) Factor applied

Dividend Payment Eligibility

- Audited Discounted Premium of \$10,000 or more
- All policy premiums, including audit adjustments must be paid in full; policies in audit dispute must be resolved prior to any dividend distribution
- Any policy placed in collections is not eligible for a dividend
- Policies with three (3) or more non-payment cancellation notices issued in the policy term are not eligible for a dividend
- The policy must remain in effect for the full policy period to be eligible for a dividend

The dividend calculation shall be made on eligible policies on the following basis: While the Board fully intends to declare dividends at the appropriate time, the potential dividend distribution is at the sole discretion of the Board of Directors. If the Board of Directors does not declare a dividend, no dividend distribution will be made to eligible policyholders. If the Board of Directors declares a dividend, which is less than the amount needed to fund all of the potential maximum dividends for all eligible policies, your dividend will be reduced on a pro-rata basis. A payment will not be made on dividends that are calculated for \$25 or less.

Audited discounted premium means the premium determined at audit by the application of standard rates to the payroll exposure, plus any applicable premium charges, such as increased Employers Liability - Coverage B, approved Credit programs, Experience Modification and Premium Discount. Premium not in dividend calculation includes Expense Constant and Terrorism Risk Insurance Act (TRIA).

Incurred loss ratio means the total of all claim payments and open reserves for medical, indemnity and allocated loss adjustment expense (ALAE) applicable to the policy term divided by the audited discounted premium.



10% Flat Dividend

(regardless of losses), **plus** a sliding scale dividend percentage based on losses

Audited Discounted Premium	Total Possible Dividend as a Percentage of Premium Incurred Loss Ratio						
	0%	≤ 5%	≤ 10%	≤ 15%	≤ 20%	≤ 25%	Greater than 25%
\$10,000 - \$14,999	14% (10+4)	12% (10+2)	10%	10%	10%	10%	10%
\$15,000 - \$19,999	16% (10+6)	13% (10+3)	11% (10+1)	10%	10%	10%	10%
\$20,000 - \$24,999	17% (10+7)	15% (10+5)	12% (10+2)	10%	10%	10%	10%
\$25,000 - \$34,999	18% (10+8)	16% (10+6)	13% (10+3)	10%	10%	10%	10%
\$35,000 - \$49,999	21% (10+11)	19% (10+9)	15% (10+5)	12% (10+2)	10%	10%	10%
\$50,000 - \$74,999	25% (10+15)	22% (10+12)	18% (10+8)	15% (10+5)	12% (10+2)	10%	10%
Over \$75,000	30% (10+20)	26% (10+16)	21% (10+11)	17% (10+7)	14% (10+4)	13% (10+3)	10%

Dividends cannot be guaranteed and are at the discretion of the issuing insurance company's Board of Directors. The above exhibit illustrates the potential maximum dividend payable under this program. This dividend only applies to premium and losses developed in the state(s) scheduled on the participating plan endorsement. Minimum audited discounted premium of \$10,000; Below \$10,000 a flat dividend of 5% applies.

10% Flat Dividend



Dividend Program Features

- Ability for a 10% return premium
- One time calculation valued six (6) months after policy expiration date
- Receive 100% of declared dividend nine (9) months after policy expiration

Dividend Payment Eligibility

- Audited Discounted Premium of \$1,000 or more
- All policy premiums, including audit adjustments, must be paid in full. Policies in audit dispute must be resolved prior to any dividend evaluation and distribution. Any policy placed in collections is not eligible for a dividend
- Policies with three (3) or more non-payment cancellation notices issued in the policy term are not eligible for a dividend
- The policy must remain in effect for the full policy period to be eligible for a dividend
- Policyholder must comply with all carrier loss control recommendations.

The dividend calculation shall be made on eligible policies on the following basis: While the issuing insurance company's Board of Directors fully intends to declare dividends at the appropriate time, the potential dividend distribution is at the sole discretion of that Board. If that Board of Directors does not declare a dividend, no dividend distribution will be made to eligible policyholders. If that Board of Directors declares a dividend that is less than the amount needed to fund all of the potential maximum dividends for all eligible policies, your dividend will be reduced on a pro-rata basis. A payment will not be made on dividends that are calculated for \$25 or less.

Dividends cannot be guaranteed and are at the discretion of the issuing insurance company's Board of Directors. This dividend only applies to premium and losses developed in the state(s) scheduled on the participating plan endorsement and must have a minimum audited discounted premium of \$1,000.

Audited discounted premium means the premium determined at audit by the application of standard rates to the payroll exposure, plus any applicable premium charges, such as increased Employers Liability – Coverage B, approved credit programs, Experience Modification and Premium Discount. Premium not in dividend calculation includes Expense Constant and Terrorism Risk Insurance Act (TRIA).



10% Flat Dividend

is payable regardless of loss history and is subject to the following dividend eligibility guidelines.

Professional Employers Dividend



Dividend Program Features

- 10% Flat Dividend (regardless of losses); Plus a sliding scale dividend percentage based on losses
- Earn up to 25% return premium
- One time calculation valued six (6) months after policy expiration date
- Receive 100% of declared dividend ten (10) months after policy expiration; no recapture provision
- No Loss Development Factor (LDF) or Incurred But Not Reported (IBNR) Factor applied

Dividend Payment Eligibility

- Audited Discounted Premium of \$500 or more.
- All policy premiums, including audit adjustments must be paid in full. Policies in audit dispute must be resolved prior to any dividend distribution. Any policy placed in collections is not eligible for a dividend.
- Policies with three (3) or more non-payment cancellation notices issued in the policy term are not eligible for a dividend
- The policy must remain in effect for the full policy period to be eligible for a dividend
- Available to the following professional classes: Accountant, Attorney, Doctor, Dentist, Financial Advisor, Insurance Agent or Veterinarian

The dividend calculation shall be made on eligible policies on the following basis: While the issuing insurance company's Board of Directors fully intends to declare dividends at the appropriate time, the potential dividend distribution is at the sole discretion of that Board. If that Board of Directors does not declare a dividend, no dividend distribution will be made to eligible policyholders. If that Board of Directors declares a dividend that is less than the amount needed to fund all of the potential maximum dividends for all eligible policies, your dividend will be reduced on a pro-rata basis. A payment will not be made on dividends that are calculated for \$25 or less.

Audited discounted premium means the premium determined at audit by the application of standard rates to the payroll exposure, plus any applicable premium charges, such as increased Employers Liability – Coverage B, approved Credit programs, Experience Modification and Premium Discount. Premium not in dividend calculation includes Expense Constant and Terrorism Risk Insurance Act (TRIA).



The Professional Employers Dividend is specifically designed for professional businesses.

Incurred loss ratio means the total of all claim payments and open reserves for medical, indemnity and allocated loss adjustment expense (ALAE) applicable to the policy term divided by the audited discounted premium.

Incurred Loss Ratio	Maximum Dividend
0 - 5%	10 Flat plus 15%
6 - 10%	10 Flat plus 13%
11 - 20%	10 Flat plus 10%
21 - 25%	10 Flat plus 8%
26 - 30%	10 Flat plus 5%
31 - & over	10 Flat plus

Dividends cannot be guaranteed and are at the discretion of the issuing insurance company's Board of Directors. The above exhibit illustrates the potential maximum dividend payable under this program. **This dividend only applies to premium and losses developed in the state(s) scheduled on the participating plan endorsement. Minimum audited discounted premium of \$500; No dividend payment will be made on a policy with less than \$500 minimum audited discounted premium.**