

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 insuring company 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.

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 5.A. of the Information Page. It includes any amendments to that law which are in effect during the Period of Self-Insurance. It does not include the provisions of any law that provide non-occupational disability benefits.

PART ONE-WORKERS' COMPENSATION INSURANCE

A. How This Insurance Applies

This Workers' Compensation insurance applies to bodily injury by accident or disease, including resulting death.

1. Bodily injury by accident must occur during the Period of Self-Insurance.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. Your employee's exposure to those conditions causing or aggravating such bodily injury by disease must occur during the Period of Self-Insurance.

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.

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 or Self Insurance

If there is other insurance or self-insurance available to pay benefits to which this insurance applies, equitable apportionment of liability for the payment of such benefits shall be determined in accordance with applicable statutory law.

In the absence of such statutory law, 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. This paragraph will not apply to your self-insurance during the Period of Self-Insurance.

We will not be required to reimburse you or anyone else for any benefits or costs which have been paid or for the cost of defense that has been provided prior to the effective date of this policy by any person or association, whether corporate or individual, through insurance, self-insurance or otherwise.

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 employed an employee in violation of law;
3. you failed to comply with a health or safety law or regulation; or
4. you discharged, coerced or discriminated 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. We have your rights to request and receive any reinsurance reimbursements to which you might have been entitled from the Workers' Compensation Reinsurance Association under the terms of the reinsurance agreement in force at the time of the loss. 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 proper claimant for payment of any compensation for which the employer is liable, subject to the provisions, conditions and limitations of this policy. Those claimants may enforce our duties; as 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. The provisions of this policy shall govern between you and us as to payments by either in discharge of your liability for compensation.
5. This insurance conforms to the parts of the Workers' Compensation law that applies to:
 - a) benefits payable by this insurance; and
 - 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.

I. Reports and Fees

We will file such reports with the applicable Workers' Compensation regulatory agencies as you would be required by law to file as a self-insurer on account of bodily injury to which this insurance applies. You must assist and cooperate with us as we may request in the preparation of such reports.

We will pay any fees or assessments levied by any governmental agency or fund or association which you are obligated to pay because of your former or current status as a self-insurer or on account of bodily injury to which this insurance applies.

PART TWO – 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 THREE – CONDITIONS

A. Inspection

We have the right, but are not obligated to inspect your workplaces at any time. Our inspections are not safety inspections. 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.

B. Transfer of Your Rights and Duties

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

C. Sole Representative

The insured first named in Item 1 of the Information Page will act on behalf of all insureds to change this policy.

In witness whereof, the Company has caused this policy to be signed by its President and Secretary, but the same shall not be binding unless countersigned on the Information Page by a duly authorized representative of the Company.

Secretary

President