



**CITY OF GROSSE POINTE WOODS**  
**MEMORANDUM**

**Date:** May 18, 2026  
**To:** Mayor and City Council  
**From:** Steven Schmidt, Treasurer/Comptroller  
**CC:** Sue Como, City Manger  
**Re:** Midwest Insurance Company – Excess Workers Compensation Coverage

**RECEIVED**  
**MAY 04 2026**  
CITY OF GROSSE POINTE WOODS  
CLERK'S DEPARTMENT

Please find attached a copy of the Excess Workers Compensation renewal quote from Midwest Employers Casualty Company. John Jonson solicited quotes for the City's excess worker compensation coverage, which is set to expire on June 30, 2026.

Carrier	Contract Term	Annual Premium	Specific Retention
Midwest Employers	1 Year	\$78,426	\$500,00 Non-Police & Fire \$650,000 Police and Fire
Midwest Employers	2 Year	\$156,852 (\$78,426 per year)	\$500,00 Non-Police & Fire \$650,000 Police and Fire

Midwest has offered the same Specific Retention for employees outside of Police & Fire at \$500,000 and employees under the class codes for Police & Fire to \$650,000.

Midwest is offering two contract term options:

- One year contract term with a premium of \$78,426; an increase of 9.12% over the current premium of \$71,926.
- Two year contract term premium of \$78,426 for both years; an increase of 9.12% over the current premium of \$71,926, but a 0% increase for the second year.

Based on Mr. Johnson's recommendation, I would concur that the city enter into a two year term at the stated specific retention and premium. The initial cost is the same the two year term has no increase for the second year which would be unknown and most likely higher given that the one year term represents an 9.12% increase.

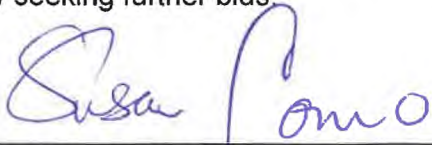
Adequate funds have been budgeted in FY 2026-2027 for the City's Excess Worker's Compensation Premium of \$78,426 in budget line 677-210-955.000, Insurance Premium.

Upon receipt of the actual contracts from Midwest Employers Casualty Co., they will be forwarded to the City Attorney for review and approval.



\_\_\_\_\_  
Steven Schmidt, Treasurer/Comptroller

Recommend approval of the above stated and do not believe any benefit will accrue to the City by seeking further bids.



\_\_\_\_\_  
Sue Como, City Manager




## City of Grosse Pointe Woods

Date prepared: 04/30/2026



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 **Midwest**  
Employers Casualty  
a Berkeley Company



# ABOUT

## MIDWEST EMPLOYERS CASUALTY (MEC)

Midwest Employers Casualty (MEC) provides excess workers compensation insurance to individual self-insureds and self-insured groups, as well as captive solutions. Beyond coverage, MEC delivers valuable resources and expertise that improve outcomes for clients and their injured workers while mitigating expenses. We focus on what matters most: worker recovery and better claims resolutions.



### THE MEC DIFFERENCE

Our skilled people, proven processes, and innovative technology achieve measurable results and create lasting value.

- **Account Executives:** MEC Account Executives provide decades of industry-specific experience to enhance your workers compensation program through strategic support, advanced analytics tools, direct access to in-house claims experts, and ongoing risk management guidance.
- **XCEL Analytics®:** Our patented AI solution helps identify high-risk claims early. This enables faster interventions, lower costs, and better outcomes for injured workers.
- **Claims Advantage™:** MEC's multidisciplinary Claims Team—featuring our Chief Medical Officer, Attorneys, Claim Consult Managers and Medical Management Consultants—applies comprehensive expertise to resolve complex claims efficiently and reduce costs through tailored strategies.
- **MEC MSA Solutions:** Our MSA Solutions generate significant cost savings within the insureds' retained layer. Our team of experts completes hundreds of pre-MSA and MSA reviews annually, successfully positioning claims for settlement, resulting in average savings of \$153,306 per claim.<sup>1</sup>
- **Benchmark Reports:** Offer insights into your program's performance, empowering you to make data-driven decisions to optimize your workers compensation strategy by uncovering cost-saving opportunities and identifying areas for enhancement.

### OUR PRODUCTS

We provide workers compensation excess of loss insurance products to individual employers and groups. These include:

- **Excess Workers Compensation:** Specific and aggregate coverage for individual/group self-insured employers.
- **Captives:** MEC offers Group, Single-Parent and Agency Captives. In addition to providing A+ XV Fronting Paper, we offer Specific Excess and Aggregate Reinsurance protection for our captive clients, while providing them with the flexibility to work with a TPA of their choice.

We distribute our products nationwide through retail and wholesale agencies. If you are an insured, please contact your agent/broker to request a quote.



Midwest Employers Casualty is a member of W. R. Berkley Corporation, a Fortune 500 company that is listed on the New York Stock Exchange and is part of the S&P 500. W. R. Berkley Corporation's insurance company subsidiaries are rated A+ (Superior), Financial Size Category XV by A.M. Best Company and AA- (Very Strong) by Standard & Poor's.

Products and services are provided by one or more insurance company subsidiaries of W. R. Berkley Corporation. Not all products and services are available in every jurisdiction, and the precise coverage afforded by any insurer is subject to the actual terms and conditions of the policies as issued. <sup>1</sup>As of September 30, 2025.



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MEC00000001



## Excess Workers Compensation Quotation Sheet

Insurer: Midwest Employers Casualty Company

Policy Effective Date: 07/01/2026

Insured: City of Grosse Pointe Woods  
Policy #: EWC008739

Quote Date: 04/30/2026  
Quote Expiration Date: 60 Days

### QUOTE OPTIONS

POLICY TERMS	0261227	0261394
<b>Named States</b>	MI	MI
 <b><u>SPECIFIC:</u></b>		
<b>Specific Limit</b>	STATUTORY	STATUTORY
<b>Specific Retention</b>	\$500,000	\$500,000
<b>Specific Retention - 7704 MI</b>	\$650,000	\$650,000
<b>Specific Retention - 7720 MI</b>	\$650,000	\$650,000
 <b><u>EMPLOYERS LIABILITY:</u></b>		
<b>Employers Liability Limit</b>	\$1,000,000	\$1,000,000
<b>Employers Liability Retention</b>	See Specific	See Specific
 <b><u>AGGREGATE:</u></b>		
<b>Aggregate Limit</b>	\$5,000,000	\$5,000,000
<b>Rate as a % of Normal Premium</b>	792.52%	713.27%
<b>Estimated Aggregate Retention</b>	\$1,286,831	\$2,316,302
<b>Minimum Aggregate Retention</b>	\$1,261,094	\$2,269,975
<b>Aggregate Loss Limitation</b>	\$500,000	\$500,000
 <b><u>RATING BASE:</u></b>		
<b>Est. Annual Payroll</b>	\$7,838,650	\$7,838,650
<b>Est. Annual Manual Premium</b>	\$162,372	\$162,372
<b>Length of Policy (Years)</b>	1.000000	2.000000
<b>Est. Policy Normal Premium</b>	\$162,372	\$324,744
<b>Rate as a % of Normal Premium</b>	48.3%	48.3%
 <b><u>PREMIUM:</u></b>		
<b>Total Est Policy Prd Premium (including Flat Charges)</b>	\$78,426	\$156,852
<b>Policy Minimum Premium</b>	\$70,583	\$141,166
<b>Deposit Premium</b>	\$78,426	\$78,426
<b>Deposit Flat Charge(s)</b>	NA	NA
<b>Total Deposit Due</b>	\$78,426	\$78,426
 <b>Terrorism Risk Ins Act of 2002 (incl in Total Deposit Due above)</b>	 \$2,353	 \$2,353

**CONDITIONS / COMMENTS:**

\* MECC must be notified of any aircraft changes occurring during the policy period.



**Endorsement Schedule  
Quotation**

Insurer: Midwest Employers Casualty Company

Policy Effective Date: 07/01/2026

Insured: City of Grosse Pointe Woods  
Policy #: EWC008739

Quote Date: 04/30/2026  
Quote Expiration Date: 60 Days

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Quote Option(s) 0261394 Include(s) the following Endorsements:

CMB-187 Two Year Policy Short Rate Table  
ISI-285 More Than One Premium Adjustment

The following endorsements apply to all quote options:

CMB-6-CLS Amendment to Schedule Item 6  
CMB-11 Amendment to Schedule Item 11  
CMB-199 Policyholder Disclosure Notice of Terrorism Insurance  
ISI-254-EXC Aircraft Exclusion  
ISI-MI Michigan

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act as amended, (the "Act"), is included in the quote for your policy.

As defined in Section 102(1) of the Act: The term "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—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have 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. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act.

However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism, as defined in the Act is shown below, and does not include any charges for the portion of losses covered by the United States government under the Act.

Quote Option	<u>0261227</u>	<u>0261394</u>
TRIA Charge:	\$2,353	\$2,353
	<u>          </u>	<u>          </u>

Name of Insurer: Midwest Employers Casualty Company

Name of Insured: City of Grosse Pointe Woods

# CLAIMS SERVICES

Midwest Employers Casualty (MEC) offers comprehensive claims services to ensure our clients receive expert, personalized solutions throughout the claim process.



## BEST-IN-CLASS CLAIMS TEAM

Our clients have access to the most experienced and respected excess workers compensation claim professionals in the industry.

### • Claim Consult Managers

Our Claim Consult Managers are a highly experienced, multidisciplinary team of claims professionals who handle challenging and complex claims. The team is dedicated to early intervention in claims that may escalate in cost. Their purpose is to enhance collaboration with the TPA and our mutual account.

### • Chief Medical Officer

Board-Certified FAAPM&R Chief Medical Officer oversees cases and performs medical reviews to help employers and injured workers achieve better outcomes.

### • Medical Management Consultants (RNs)

Our experienced nurses specialize in complex cases and employ loss mitigation strategies to lower medical expenses and provide the most impactful treatment options.

### • Attorneys

Our full-time staff Claims Counsel attends mediations, and settlement negotiation sessions to secure the best results.

## CLAIM CONSULTATION STRATEGY SESSION

Our Claim Consultation service is designed to help insureds effectively manage claims and mitigate financial exposure within their retained layer.

## XCEL ANALYTICS®

XCEL Analytics® uses our patented predictive analytics to identify high-risk claims early in their life cycle. Automated risk scoring, prioritization, and targeted intervention strategies help mitigate claim risk and support injured workers in achieving the best outcomes.

## MEC MSA SOLUTIONS

MEC MSA Solutions is led by Medicare-certified in-house Medical Management Consultants and designed to optimize client MSAs, maximize savings, and streamline the claims management process.

## MEDICAL COST MITIGATION

We partner with premier vendors to negotiate discounts on the significant cost drivers on large claims, including hospital and surgical bills, attendant care rates, long-term facility rates, durable medical equipment, and prosthetics.

## PHARMACY MANAGEMENT

Our clients save an average of 45 percent on medications through MEC's purchasing power. Our pharmacy partner offers best-in-class clinical services to ensure proper utilization, resulting in significant lifetime savings.

## SETTLEMENTS

Attorneys identify loss mitigation opportunities, develop aggressive settlement strategies, and work with defense counsel or negotiate directly with the injured employee's counsel at no additional cost.

## CHRONIC PAIN MANAGEMENT


We partner with Functional Restoration Centers of Excellence to treat seriously disabled workers. Our experts evaluate each case individually and recommend the best long-term solution for each injured worker.

## CENTERS OF EXCELLENCE

We provide front-of-the-line access to medical **Centers of Excellence** to leverage advanced technology and ensure optimal outcomes for catastrophically injured workers.



Visit [MECasualty.com](http://MECasualty.com) to learn more

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 **Midwest**  
Employers Casualty  
a Bersley Company



# RISK MANAGEMENT SERVICES



Midwest Employers Casualty (MEC) offers comprehensive risk management services to ensure that our clients receive innovative solutions that will lower their total cost of risk.

## ▶ ACCOUNT EXECUTIVES

Our Account Executives have decades of industry-specific experience and offer strategic support to strengthen your workers compensation program. They will help you leverage our best-in-class analytics tools, connect you with our in-house claims experts, and serve as your ongoing resource for risk management guidance.

## ▶ BENCHMARK & XCEL ANALYTICS® REPORTS

- **Benchmark**  
Our custom report shows how your workers compensation program is performing compared to your peers' programs.
- **XCEL Analytics®**  
Reports identify high-risk claims early within your retained layer using our patented predictive analytics. Identifying these claims early allows you to implement a plan of action to reduce costs and achieve better outcomes for injured workers.

## ▶ ONLINE RISK MANAGEMENT RESOURCES

MEC's online risk management resources offer you on-demand access to a broad selection of digital tools, webinars, podcasts, presentations, handouts, and workplace safety posters.

## ▶ ON-DEMAND WEBINARS

We offer access to a broad selection of no-cost, on-demand webinars from MEC experts that provide insights on essential topics to help you strengthen your excess workers compensation program. This includes identifying emerging trends, medical and legal issues, and data-driven insights into the rapidly changing workers comp insurance landscape.

## ▶ ON-DEMAND SAFETY TRAINING VIDEOS

Through our alliance with Safety Source, you have use of more than 600 on-demand, industry-specific training videos to supplement your company's safety training program. The library contains categories, such as healthcare, transportation, public entities, retail, and school districts. It also includes subject-focused videos such as janitorial, driver safety, forklifts, material handling, ergonomics, and back injury prevention.

## ▶ SAFE PATIENT HANDLING & MOBILITY

We work closely with our healthcare clients to evaluate their readiness to implement their safe patient handling program. We provide guidance throughout the entire process, resulting in a fully implemented, robust, safe patient handling and mobility program.



Visit [MECasualty.com](http://MECasualty.com) to learn more

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 **Midwest**  
Employers Casualty  
a Berkley Company





Endorsement

Endorsement Effective:

Policy No.:

Named Insured:

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Aircraft Exclusion Endorsement

This Policy does not cover any Loss arising out of the ownership, maintenance, operation or use of any aircraft that is leased, owned (in whole or in part) or operated by you, your executive officer(s), director(s), Employee(s), parent company or subsidiary. This exclusion does not apply to regularly scheduled commercial airlines or chartered aircraft.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.

ISI-254-EXC (8-13)

Date Printed:

Endorsement Effective:

Policy No.:

Named Insured:

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Amendment to Schedule Item 11

Schedule Item 11 is amended to read as follows:

11. Classification of Operations:

Total Manual Premium:  
(a) Experience Modification Factor:  
(b) Other Modification Factor:  
Normal Premium:

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.



Endorsement Effective:

Policy No.:

Named Insured:

\_\_\_\_\_

Amendment to Schedule Item 6

Schedule Item 6 is amended to read as follows:

6. Specific Retention:

Classification	Specific Retention
All Other	

The term "All Other" refers to any class code on the Policy which is not specifically named above.

If an accident involves multiple Employees in separate classifications with different Specific Retentions, then the greatest of the Specific Retentions will apply.

Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.

Endorsement Effective:

Policy No.:

Named Insured:

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Michigan Endorsement

This endorsement applies only to coverage provided by this Policy because Michigan is named in Item 3 of the Schedule Page.

Section A. Self-Insurance of the General Section of this Policy is amended to read as follows:

- A. Self-Insurance.** Our obligations under this Policy are subject to the condition that you are, at the inception of this Policy and shall remain until the end of the Policy Period, authorized to operate as a duly qualified self-insurer, in each State named in Schedule Item 3. If, after the inception of this Policy, the authority shown below in Section I. Cancellation of Part Six – Conditions revokes your authorization to operate as a duly qualified self-insurer, this Policy will apply as if you remain a qualified self-insurer.

Section C. Loss of Part One – Workers' Compensation Excess Indemnity is amended to read as follows:

- C. Loss** under Part One of this Policy means the amount actually paid by you, after deduction of any Recovery, for regular benefits provided under the Michigan Workers' Compensation Law in effect on the date the accident or exposure to disease occurs. Loss shall include, but is limited to, 100% of the following payments:
1. Benefit payments made by you as required by the Michigan Workers' Compensation Law;
  2. Benefit payments, as required in the Michigan Workers' Compensation Law that are due and owing to claimants;
  3. Benefit payments made on your behalf as required in the Michigan Workers' Compensation Law, by a surety under a bond or through the use of other security required by the director;
  4. Payments made by the Michigan Self-Insurers' Security Fund; and
  5. Payments for usual and customary claims allocated loss adjustment expenses as listed in Part Four – Claims, Section L. Reimbursable Claim Handling Expense of this Policy.

Item 3 of Section J. Good Faith Claims Handling and Settlements of Part Four – Claims is amended to read as follows:

3. **Settlement Within Your Retention.** If you are presented with an objectively reasonable opportunity to reach a Full and Final Settlement of a Claim within your Retention, and if in the exercise of good faith and sound judgment the Claim should be settled, then you shall settle it. If a Claim is filed in a State that will not allow a Full and Final Settlement, and you are presented with an objectively reasonable opportunity to reach a partial settlement of the Claim within your Retention, and if in the exercise of good faith and sound judgment the Claim should be settled, then you shall settle it.

Section N. Commutation by Mutual Agreement of Part Four – Claims is deleted in its entirety.

Endorsement Effective:

Policy No.:

Named Insured:

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Section C. Bankruptcy or Insolvency of Part Six – Conditions of this Policy is amended to read as follows:

**C. Bankruptcy or Insolvency.** Your bankruptcy or insolvency shall not relieve us from the payment of any Loss covered by this Policy. After the Retention shown on the Schedule has been paid, payments shall be made by us as if you had not become bankrupt or insolvent but not in excess of the Specific Limit or the Aggregate Limit shown on the Schedule. Payment shall be made to the Trustee in Bankruptcy or as directed by the Michigan Self-Insurers' Security Fund. We shall never make payments below the Retention shown on the Schedule, nor shall our indemnity obligations under this Policy ever be increased or broadened because of your bankruptcy or insolvency.

Section D. Other Insurance of Part Six – Conditions of this Policy is amended to read as follows:

**D. Other Insurance.** If any other insurance, reinsurance, indemnity agreement or other reimbursement agreement exists protecting you against Loss covered by this Policy, the indemnity coverage afforded under this Policy shall be applied on a pro-rata basis with such other insurance, reinsurance, indemnity agreement or other reimbursement agreement.

Section I. Cancellation of Part Six – Conditions of this Policy is amended to read as follows:

**I. Cancellation.** You may cancel this Policy by giving us and the authority shown below at least sixty (60) days advance notice by registered mail stating the cancellation date. We may cancel this Policy by giving you and the authority shown below at least sixty (60) days advance notice by registered mail stating the cancellation date. Our mailing of registered notice to your address shown in Schedule Item 2 will be sufficient proof that we cancelled this Policy.

Michigan Department of Licensing and Regulatory Affairs  
Workers' Compensation Agency  
Self-Insured Programs  
P.O. Box 30016  
Lansing, Michigan 48909

If by mutual consent we agree with you to cancel this Policy, we will mail to the authority shown above a copy of the cancellation endorsement that you and we have signed.

If this Policy is cancelled, the Policy Period shall end at 12:01 A.M. on the cancellation date. This Policy does not apply to loss or liability which arises out of bodily injury by accident or bodily injury by disease that occurs after the effective date of such cancellation.

In the event of cancellation of this Policy, Final Premium shall be calculated as set forth in Part Five – Premium, Section C. Final Premium of this Policy.



Endorsement Effective:

Policy No.:

Named Insured:

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The following section is added to this Policy:

MCLA Section 500.3008 Requirements

In accordance with the requirements of MCLA Section 500.3008, it is agreed that notice given by or on behalf of the Insured to any authorized agent of the Insurer within this State, with particulars sufficient to identify the Insured shall be deemed to be notice to the Insurer; and it is also agreed that failure to give any notice required to be given by this Policy within the time specified herein shall not invalidate any claim made by the Insured if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that notice was given as soon as was reasonably possible.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.

Endorsement Effective:

Policy No.:

Named Insured:

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**More Than One Premium Adjustment Endorsement**

Part Five – Premium of the Policy is amended to read as follows:

**PART FIVE - PREMIUM**

- A. Deposit and Adjustment Premiums.** At the beginning of each Payroll Reporting Period set forth in Schedule Item 12, you must pay us the Deposit Premium and any flat charges shown in the Schedule.
1. At the end of each Payroll Reporting Period set forth in Schedule Item 12 you shall owe us the amount by which the Final Premium is greater than the Deposit Premium.;
  2. At the end of the last Payroll Reporting Period, if the sum of the Deposit Premiums for all Payroll Reporting Periods is greater than the sum of the Final Premiums for all Payroll Reporting Periods, we shall owe you the difference.
- B. Payroll Report.** Within forty-five (45) days after the end of each Payroll Reporting Period, you must send us a report showing the amount of Payroll earned by your Employees during the Payroll Reporting Period. The report must show Payroll separately for each classification identified in Schedule Item 11.
- C. Final Premium.** The Final Premium due to us for each Payroll Reporting Period shall be computed as shown in Schedule Item 12(a).

Normal Premium means the sum of the products of your audited Payroll within each classification shown in Schedule Item 11 for each State named in Schedule Item 3 multiplied by the rate shown in Schedule Item 11 for the respective classification, the product of which shall be further multiplied by the Experience Modification Factor shown in Schedule Item 11(a) and/or any Other Modification Factor shown in Schedule Item 11(b).

Unless this Policy is cancelled, Final Premium shall be at least the Minimum Premium shown in the Schedule.

When determining Final Premium, any flat charges shown in the Schedule are not subject to additional computations or modification factors.

If we cancel this Policy, Final Premium shall be calculated pro rata based on the time this Policy was in force. Final Premium shall not be less than the pro rata share of the Minimum Premium shown in the Schedule.

If you cancel this Policy, you owe us the Final Premium due for all Payroll Reporting Periods. Final Premium shall be more than pro rata; it shall be based on the time this Policy was in force, and increased by the customary short rate table and procedure. Final Premium shall not be less than the Minimum Premium shown in the Schedule.

If this Policy is automatically cancelled because of the loss of your duly qualified self-insurer status as stated in Section A. Self-Insurance of the General Section of this Policy, you owe us the Final Premium due for all Payroll Reporting Periods. Final Premium shall be more than pro rata; it shall be based on the time this Policy was in force, and increased by the customary short rate table and procedure. Final Premium shall not be less than the total Minimum Premium shown in the Schedule.

The Final Premium due to us shall not be reduced by the existence of any other insurance, reinsurance, indemnity agreement or other reimbursement agreement protecting you against Loss covered by this Policy.

Endorsement Effective:

Policy No.:

Named Insured:

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**D. Payroll** means the gross pay of your Employees for each Payroll Reporting Period plus other amounts and items earned by your Employees as part of their pay for each Payroll Reporting Period. Payroll also includes:

1. Gross pay plus other amounts and items earned by your officers if covered under this Policy;
2. The contract price for materials and services performed by any individual deemed to be your Employee for liability purposes under the Workers' Compensation Law, if you do not have Payroll records for this individual; and
3. Assigned Payroll attributed to volunteers for whom you are legally obligated to provide benefits under the Workers' Compensation Law. Assigned Payroll means:
  - a. For volunteers other than volunteer firefighters and volunteer police officers, the federal minimum hourly wage as of the effective date of this Policy multiplied by the hours worked by the volunteers, unless the work performed by the volunteers is similar to work performed by a paid Employee who is receiving more than the federal minimum hourly wage, in which event the wage reported for the volunteer worker shall be the same as the wage reported for the paid Employee; and
  - b. For volunteer firefighters or volunteer police officers, the greater of \$12,500 per year or the same wage as reported for a paid Employee performing similar work shall be included in Payroll for each such volunteer firefighter or volunteer police officer.

Duties performed by volunteers shall be assigned to the classification code which the duties would be assigned to if performed by regular Employees.

No amount is included in Assigned Payroll for any volunteer worker who is not covered under the Workers' Compensation Law because Part One of this Policy does not apply with respect to that worker.

**E. Records.** You shall keep records of information needed to compute premium. You shall provide us with copies of those records when we ask for them.

**F. Audit.** Upon our request, you shall let us or our representatives examine and audit all your Payroll records. Payroll records include, but are not limited to, ledgers, journals, registers, vouchers, contracts, tax reports, Payroll and disbursement records, and programs for storing and retrieving data. The audits may be conducted during your regular business hours.

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Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.



Endorsement Effective:

Policy No.:

Named Insured:

Policyholder Disclosure Notice of Terrorism Insurance Coverage Endorsement

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act as amended, (the "Act"), is included in your Policy. As defined in Section 102(1) of the Act: The term "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—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have 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. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

- A. The portion of your annual premium that is attributable to coverage for acts of terrorism, as defined in the Act is: \$\_\_\_\_\_ and does not include any charges for the portion of losses covered by the United States government under the Act.

Name of Insurer: Midwest Employers Casualty Company

Policy Number:

Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

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Endorsement Effective:

Policy No.:

Named Insured:

Two Year Policy Short Rate Table Endorsement

If you cancel this Policy prior to the expiration of the two-year Policy Period shown in Schedule Item 5, the following short rate table will apply to the Total Estimated Policy Premium shown in Schedule Item 12(c):

Month When Cancellation Effective	Short Rate Percentage
1	13%
2	19%
3	23%
4	27%
5	31%
6	35%
7	39%
8	43%
9	47%
10	51%
11	55%
12	59%
13	63%
14	67%
15	71%
16	75%
17	79%
18	82%
19	85%
20	88%
21	91%
22	94%
23	97%
24	100%

Countersigned

MIDWEST EMPLOYERS CASUALTY COMPANY

\_\_\_\_\_  
Authorized Representative

Secretary

President

This endorsement forms part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein. All other terms and conditions of the Policy remain unchanged.