

**THE BEST COVERAGE IN THE INDUSTRY
BEGINS WITH YOU.**

Monthly Self-Reporting Worksheet Demystified

Click below to proceed from step to step

1 2 3 4 5 6 7 8 9 10 11 12

Step 7

Multiply the amount in box 8 by the "Discount factor before modifier" in box 9, round to the nearest dollar and enter the result in subtotal box 10.

645.00
× 1.00

645.00

REPORT MONTH: ***

| | |
|-------------------------------------|--------|
| (6) Total Annual Premium | 645.00 |
| (7) Increased limits | 0.00 |
| (8) Subtotal | 645.00 |
| (9) Discount factor before modifier | 1.00 |
| (10) Subtotal | |
| (11) Experience modifier | |
| (12) Subtotal | |

Builders Mutual

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Click below to proceed from step to step

1 2 3 4 5 6 7 8 9 10 11 12

Step 9

Multiply subtotal box 12 by the "Discount factor after modifier" in box 13, round to the nearest dollar and enter the result in box 14, "Total premium due."

503.00
× 0.84031

422.68

REPORT MONTH: ***

| | |
|-------------------------------------|---------|
| (6) Total Annual Premium | 645.00 |
| (7) Increased limits | 0.00 |
| (8) Subtotal | 645.00 |
| (9) Discount factor before modifier | 1.00 |
| (10) Subtotal | 645.00 |
| (11) Experience modifier | 0.78 |
| (12) Subtotal | 503.00 |
| (13) Discount factor after modifier | 0.84031 |
| (14) Total Premium Due | |
| (15) Review Means | |

The numbers and calculations used here are only samples for instructional purposes.

Builders Mutual
INSURANCE COMPANY
Where Builders Come First

The Monthly Self-Reporting Worksheet is another example of how builders come first at Builders Mutual. Mailed out monthly to all workers' comp policyholders, the form must be sent back to us to help us keep your account current. Clear instructions and answers to frequently asked questions about the form can be found on our web site, www.buildersmutual.com.

Builders Mutual INSURANCE COMPANY

Where Builders Come First

PO Box 150005 • Raleigh, NC 27624-0005
tel: (800) 809-4860 • fax: (919) 845-9382

JUST AS

YOU RELY

ON US

FOR

COVERAGE,

WE RELY

ON YOU

FOR

COOPERATION.

PREMIUM ACCOUNTING DEPARTMENT — YOUR PARTNER IN PROTECTION

At Builders Mutual, the Premium Accounting Department is responsible for ensuring that your workers' comp premiums are up to date and accurate, based on your monthly payroll self-audit worksheets. We can't do this alone — while we make it as easy for you as possible, we depend on your continued cooperation so we can uphold our commitment to providing you the best coverage in the business.

ALL POLICYHOLDERS MUST REPORT ALL PAYROLL ON A MONTHLY BASIS.

Each month policyholders will receive a monthly self-reporting worksheet. The monthly self-reporting worksheet provides an opportunity for maximum control of cash flow, and projects a more realistic final audit as a result of accurate monthly reporting. All policyholders must submit the monthly self-reporting worksheet together with the appropriate premium regardless of account size. Instructions to calculate premium are also included in each worksheet.

To complete the report(s), enter your GROSS payroll by classification(s) for the period during the month that your coverage was in effect and compute your monthly premium following the instructions on the report(s). The completed report(s) should be returned with your premium payment to Builders Mutual no later than the 10th of the month. Checks should be made payable to Builders Mutual.

For complete directions to aid in filling out your monthly worksheet, visit www.buildersmutual.com and click on the Policyholder section, then Monthly Reporting Worksheet.

CANCELLATION

Cancellation of insurance coverage may result because of the following:

- Non-Payment of premium, including NSF returned check, failure to submit monthly self-reporting worksheets, failure to submit to or pay year-end audit
- Conviction of named insured of a crime which affects hazard that is insured against
- Fraud or material misrepresentation
- Failure to meet Risk Management or Underwriting requirements and standards
- Change in risk which increases hazard
- Determination that continuation would jeopardize solvency or place insurer in violation of insurance laws
- Violation of policy terms or conditions
- Commissioner's approval

Subject to the compliance of the insured, each policyholder may receive three cancellation notices over a period of 18 months. Upon receipt of a fourth cancellation notice, a policyholder will not be reinstated. Policyholders may not reapply for coverage more than two times if they have been canceled for non-payment of premium.

TERMINATION - POLICYHOLDER'S REQUEST

Requests for termination of coverage from the policyholder must be received in writing by BMIC at least ten (10) days prior to the requested termination date. The request must include:

- Signature of an Owner or Officer
- Reason for Termination

TERMINATION - DUPLICATE COVERAGE

In the event that a policyholder replaces coverage with a new carrier, the policyholder must send proof of coverage (letter of assumption or copy of new policy) in order to cancel the BMIC policy on the effective date of the new coverage.

NOTE: In accordance with Builders Mutual's regulations, your deposit is retained by Builders Mutual while you are a policyholder. Your deposit is only applied towards premium in the event of non-payment and is refundable upon termination if your account is current.

SHORT RATE PENALTY

Please note that, should a policyholder request the cancellation of its workers' compensation policy prior to its renewal date, there will be a short rate penalty assessed according to the NCCI table. Please contact your agent for more details.

RETURNED CHECKS

All checks which are returned for insufficient funds or any other reasons will subject the policyholder to a \$25.00 charge per check (in states where applicable). The second time the policyholder submits a payment which is for insufficient funds or any other reason, BMIC will require that all future payments be submitted by certified check or money order.

RENEWALS

The policy will renew on the renewal date listed on the declaration page.

AGENTS

Your insurance agent is an independent contractor of BMIC. Your agent has no authority to alter, modify, extend, reduce or in any way amend the BMIC insurance policy including but not limited to its policies and procedures, as well as its indemnity and administrative practices.

We look forward to serving you and thank you for your business. If you have any questions, please contact the Premium Accounting department at 1-800-809-4860.