

Group Dividend Plan for: _____

Submitted By: _____
Agency Name

Member Enrollment and Assignment

Policyholder Name/DBA _____ Pinnacol Assurance Application/Policy # _____

Street Address _____ City _____ State _____ Zip _____

Recitals:

1. The Policyholder is insured for workers' compensation by Pinnacol Assurance, is a member of the Association, and wants to be a member of the Group Dividend Plan established by Pinnacol Assurance and the Association in the Association Agreement.
2. The Policyholder meets all requirements for being a member of the plan, and the Association has approved the Policyholder to be a member of the plan.
3. As a member of the plan, the Policyholder may become entitled to share in any dividend payable by Pinnacol Assurance to all members of the plan. The Policyholder's share of that dividend is called its "member" dividend.
4. The Policyholder agrees to abide by the terms and conditions of the Association agreement.
5. The Policyholder assigns a portion of its member dividend to the Association (bonus portion), and the Policyholder directs Pinnacol Assurance to pay the bonus portion to the Association.
6. The bonus portion shall be determined by the Association and shall not exceed 10% of the Policyholder's member dividend.
7. The Association is authorized to obtain premium and loss information from Pinnacol Assurance about the Policyholder and the Association has the authority to determine the eligibility of the member to participate in the plan or to continue membership in the plan.
8. If the Policyholder's policy is cancelled, this assignment shall become void and the Policyholder will not be eligible for the Group Dividend Plan, unless the policy was cancelled because the business closed.
9. Dividends payable to the Policyholder as a member of the plan shall be credited by Pinnacol Assurance against the amount of any unpaid premium of the Policyholder before any portion of the member dividend is paid to the Policyholder.
10. This assignment shall remain in effect unless it is cancelled by the Association or the Policyholder within 90 days prior to the beginning of a new Policy period, or by a written agreement to cancel on any other date, signed by the Policyholder and the Association and filed with Pinnacol Assurance.
11. The Policyholder authorizes Pinnacol Assurance to adjust the policy period without penalty to coincide with the policy period as indicated in paragraph 2.1 of the agreement between Pinnacol Assurance and the Association.
12. The Policyholder may be entitled to an individual dividend but may forfeit it for failure to: designate a medical provider within 90 days of enrollment and send all injured employees there for treatment; designate a safety coordinator or committee within 90 days of enrollment; attend a workers' compensation or safety seminar every program year; or implement loss control measures as outlined in this plan.
13. If a Policyholder's association membership ceases prior to the end of the program year, the Policyholder's dividend will be forfeited and the premium and losses will be included in the dividend calculation.
14. No individual dividends shall be paid to any Policyholder pursuant to the Group Dividend Plan unless the Association satisfies all of its obligations set forth in the Association Agreement for the Group Dividend Plan.
15. Dividends are not guaranteed and are paid at the discretion of the Pinnacol Assurance Board.

Each policyholder is required to implement 6 steps per group dividend contract

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| 1. Adopt and publish a formal declaration of a company-wide loss prevention and loss control policy | 6. Written policies and procedures on claims management Documentation (short written plan) on how claims are managed, including items such as:
When and how claims are reported by employees and to whom
How the employer reports claims to Pinnacol Assurance and by whom
How claims are investigated
How modified duty is developed and implemented |
| 2. Formal creation of a committee or coordinator | |
| 3. Adopt and enforce clearly defined and conspicuously posted/loss prevention rules | |
| 4. Awareness and loss prevention training | |
| 5. Written designation of a medical provider | |

(Not less than three elements above must be implemented per year.)

Name of Owner, Partner, Corporate Officer (print/type) _____ Title _____

Signature of Above _____ Telephone No. _____ Date _____