

SERFF Tracking Number: GLIN-125760965 State: Arkansas
Filing Company: Gerber Life Insurance Company State Tracking Number: 39849
Company Tracking Number: GLXLPOL-07
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: Stop Loss
Project Name/Number: Stop Loss/GLXLPOL-07

Filing at a Glance

Company: Gerber Life Insurance Company

Product Name: Stop Loss

TOI: H21 Health - Other

Sub-TOI: H21.000 Health - Other

Filing Type: Form

SERFF Tr Num: GLIN-125760965

SERFF Status: Closed

Co Tr Num: GLXLPOL-07

Co Status:

Author: Shana Anselme

Date Submitted: 08/05/2008

State: ArkansasLH

State Tr Num: 39849

State Status: Approved-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 08/20/2008

Disposition Status: Approved-Closed

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

General Information

Project Name: Stop Loss

Project Number: GLXLPOL-07

Requested Filing Mode:

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 08/20/2008

State Status Changed: 08/20/2008

Corresponding Filing Tracking Number:

Filing Description:

See Cover Letter

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Group Market Size: Small

Group Market Type: Employer

Deemer Date:

Company and Contact

Filing Contact Information

Shana Beckford, Compliance Manager

1311 Mamaroneck Avenue

shana.beckford@gerber.com

(914) 272-4000 [Phone]

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White Plains, NY 10605 (914) 272-4099[FAX]

Filing Company Information

Gerber Life Insurance Company CoCode: 70939 State of Domicile: New York
1311 Mamaroneck Avenue Group Code: Company Type: Life and Health
Insurance
White Plains, NY 10605 Group Name: State ID Number:
(914) 272-4000 ext. [Phone] FEIN Number: 13-2611847

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Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Gerber Life Insurance Company	\$50.00	08/05/2008	21789841

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	08/20/2008	08/20/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	08/19/2008	08/19/2008	Shana Anselme	08/20/2008	08/20/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Cover Letter	Supporting Document	Shana Anselme	08/05/2008	08/05/2008

SERFF Tracking Number: *GLIN-125760965* *State:* *Arkansas*
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Disposition

Disposition Date: 08/20/2008

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	Yes
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document (revised)	Cover Letter	Approved-Closed	Yes
Supporting Document	Cover Letter	Withdrawn	Yes
Form	Policy Providing Excess Loss Insurance	Approved-Closed	Yes
Form	Aggregate Accomodation Rider	Approved-Closed	Yes
Form	Terminal Liability Rider	Approved-Closed	Yes
Form	Advance Funding for Specific Loss	Approved-Closed	Yes
Form (revised)	Application for Aggregate and Specific Excess Loss Insurance	Approved-Closed	Yes
Form	Application for Aggregate and Specific Excess Loss Insurance	Withdrawn	Yes

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TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: Stop Loss
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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 08/19/2008

Submitted Date 08/19/2008

Respond By Date

Dear Shana Beckford,

This will acknowledge receipt of the captioned filing.

Objection 1

- Application for Aggregate and Specific Excess Loss Insurance (Form)

Comment:

The application must contain a Fraud Warning. Please refer to ACA 23-66-503 and Bulletin 7-97.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

Response Letter

Response Letter Status Submitted to State

Response Letter Date 08/20/2008

Submitted Date 08/20/2008

Dear Rosalind Minor,

Comments:

Response 1

Comments: The fraud language has been added. Please see attached form.

Related Objection 1

Applies To:

- Application for Aggregate and Specific Excess Loss Insurance (Form)

Comment:

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The application must contain a Fraud Warning. Please refer to ACA 23-66-503 and Bulletin 7-97.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Application for Aggregate and Specific Excess Loss Insurance	GLXLAPP-07-AR		Application/Enrollment Form	Revised	GLXLAPP 49		GLXLAPP-07-AR.pdf
Previous Version							
Application for Aggregate and Specific Excess Loss Insurance	GLXLAPP-07-AR		Application/Enrollment Form	Revised	GLXLAPP 49		GLXLAPP-07-AR.pdf

No Rate/Rule Schedule items changed.

Sincerely,
 Shana Anselme

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Amendment Letter

Amendment Date:

Submitted Date: 08/05/2008

Comments:

Please use this cover letter instead of the prior one.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Cover Letter

Comment:

AR Stop Loss Letter.pdf

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Form Schedule

Lead Form Number: GLXLPOL-07

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed	GLXLPOL-07	Policy/Cont	Policy Providing Excess Loss Insurance Certificate	Revised	Replaced Form #: GLXLPOL Previous Filing #:	47	GLXLPOL-07.pdf
Approved-Closed	AAR-07	Policy/Cont	Aggregate Accomodation Rider Certificate: Amendment, Insert Page, Endorsement or Rider	Revised	Replaced Form #: GLAAR Previous Filing #:	57	AAR-07.pdf
Approved-Closed	GLTERME XT-07	Policy/Cont	Terminal Liability Rider Certificate: Amendment, Insert Page, Endorsement or Rider	Initial		49	GLTERMEXT-07.pdf
Approved-Closed	GLXL-AF-07	Other	Advance Funding for Specific Loss	Initial		50	GLXL-AF-07.pdf
Approved-Closed	GLXLAPP-07-AR	Application/Enrollment Form	Application for Aggregate and Specific Excess Loss Insurance	Revised	Replaced Form #: GLXLAPP Previous Filing #:	49	GLXLAPP-07-AR.pdf

Gerber Life Insurance Company, White Plains, New York agrees to pay Excess Loss Insurance benefits, to the Contractholder listed in the Schedule of Excess Loss Insurance based on the provisions of this Contract.

READ YOUR CONTRACT CAREFULLY

This Contract is legally binding between the Contractholder and Gerber Life Insurance Company ("Company"), based on the consideration for this Contract, which includes but is not limited to, the Application, the Riders, Disclosure Statement, a copy of the Employee Benefit Plan provided to the Company, all attached to this contract and the payment of premiums as provided hereinafter.

AGREEMENT

The Company will pay the Aggregate and/or Specific Benefits provided in this Contract, subject to the conditions, limitations and exceptions of this Contract.

The Contractholder agrees to pay premiums when due and to comply with the Contract provisions.

This Contract takes effect on the Effective Date shown in the Schedule, and terminates at the end of the Contract Period shown in the Schedule. All periods indicated in the Contract begin and end at 12:01 A.M. standard time at the Contractholder's office.

This Contract Form is governed by the laws of the State in which it is issued.

IN WITNESS WHEREOF, Gerber Life Insurance Company has caused this Contract to be executed by its President and Secretary at White Plains, New York.

Signed by the Company:


[
[President and CEO]]


[
[Secretary]]

Policy Providing Excess Loss Insurance

Nonparticipating

GERBER LIFE INSURANCE COMPANY
[1311 Mamaroneck Avenue
WHITE PLAINS, NY 10605]

**GERBER LIFE INSURANCE COMPANY
SCHEDULE OF EXCESS LOSS INSURANCE**

1. Contract Number:

2. Contractholder:

3. Address:

City:

State:

Zip Code:

4. Subsidiary or affiliated companies (companies under common control through stock ownership, contract, or otherwise) to be included (list legal name and addresses):

5. Name and address of Designated Third Party Administrator:

6. Effective Date:

7. GENERAL SCHEDULE OPTIONS:

(a) Contract Period _____ to _____

(b) Disabled Persons are (required to be disclosed) are not covered.
Retired Employees are (required to be disclosed) are not covered.

(c) Aggregate Benefit Yes No

Aggregate Benefit Period: Employee Benefit Plan expenses must be

Incurred from _____ through _____, and

Paid from _____ through _____.

Claims Incurred prior to the Contract Effective Date are limited to: \$ _____.

Claims Paid after the end of the Contract Period are limited to: \$ _____.

Aggregate eligible expenses include:

Medical Prescription Card Service
 Dental Care Weekly (Disability) Income
 Vision Care Other

7. **GENERAL OPTIONS: (Continued)**

Aggregate Monthly Factor per single Employee:	\$	_____
Family:	\$	_____
Composite:	\$	_____
Aggregate Payable Percentage (excess of Deductible):		_____ %
Maximum Eligible Claim Expense Per Covered Person:	\$	_____
Minimum Aggregate Deductible:	\$	_____
Maximum Aggregate Benefit (excess of Deductible):	\$	_____
(d) Monthly Aggregate Accommodation	<input type="checkbox"/>	Yes <input type="checkbox"/>
(e) Terminal Liability Rider	<input type="checkbox"/>	Yes <input type="checkbox"/>
(f) Specific Benefit	<input type="checkbox"/>	Yes <input type="checkbox"/>
Specific Benefit [Medical only or Medical & Prescription Drug only]	<input type="checkbox"/>	Yes <input type="checkbox"/>
Specific Benefit Period: Employee Benefit Plan expenses must be		
Incurred from _____ through _____, and		
Paid from _____ through _____.		
Claims Incurred prior to the Contract Effective Date are limited to	\$	_____
Claims Paid after the end of the Contract Period are limited to	\$	_____
Specific Deductible (per person):	\$	_____
Specific Payable Percentage (excess of Deductible):		_____ %
Maximum Specific Benefit per person in excess of Specific Deductible:	\$	_____
(g) Aggregating Specific Deductible	<input type="checkbox"/>	Yes <input type="checkbox"/>
Advance Funding for Specific Excess Loss	\$	_____

The Specific Deductible and Maximum Specific Benefit (per person in excess of Specific Deductible) for the following individual(s) is as shown below:

Name _____	Specific Deductible _____	Maximum Benefit _____
Name _____	Specific Deductible _____	Maximum Benefit _____
Name _____	Specific Deductible _____	Maximum Benefit _____
Name _____	Specific Deductible _____	Maximum Benefit _____

8. **PREMIUMS:**

(a) Aggregate Premium	
Premium Per Month Per Unit	\$ _____
Minimum Annual Aggregate Premium	\$ _____
Monthly Aggregate Accommodation	
Premium Per Month Per Unit	\$ _____
Annual Premium in Advance:	\$ _____
Terminal Liability	_____

Premium Per Month Per Unit: _____ \$
Advance Funding for Specific Excess Loss _____ \$

(b) Specific Premium
Premium Per Month Per Single Employee: _____ \$
Family: _____ \$
Composite: _____ \$
Minimum Monthly Specific Premium: _____ \$
Minimum Annual Specific Premium: _____ \$

9. **SPECIAL RISK LIMITATIONS:**

Specific: _____

Aggregate: _____

I. DEFINITIONS

As used in this Contract, the following definitions shall be applicable:

Active Full-Time Employee -- An employee who works for the Employer on a regular basis, in the usual course of the Employer's business. An employee must work at least the number of hours in the Employer's normal work week. This must be at least [30] hours. You will be considered actively at work with Your Employer on a day which is one of Your Employer's scheduled work days if You are performing, in the usual way, all of the regular duties of Your job on a full-time basis on that day. You will also be considered actively at work on a day which is not one of Your Employer's scheduled work days only if You were actively at work on the preceding scheduled work day.

Agent, when referring to the Contractholder, means the Contractholder's representative, including but not limited to its Designated Agent, Broker, or Third Party Administrator.

Aggregate Benefit means the amount that the Company agrees to pay the Contractholder after the end of the Benefit Period for eligible claims Paid by the Contractholder as set forth in the Schedule and pursuant to the terms, conditions and limitations of the Contract.

Aggregate Benefit Period identifies the dates during which Employee Benefit Plan expenses must be Incurred and must be Paid to be considered eligible for reimbursement as Aggregate Benefits.

Aggregate Deductible Per Month means the Aggregate Monthly Factor shown in the Schedule multiplied by the Number of Covered Units per Month.

Aggregate Deductible means the sum of each Aggregate Deductible Per Month for each month during the Contract Period or fraction thereof.

Aggregating Specific Deductible is a deductible applied in addition to the Specific Deductible. At the start of the Contract Period, Eligible Claims Payments in excess of the Specific Deductible for each Covered Person who has met the Specific Deductible will be added together until the cumulative total equals the Aggregating Specific Deductible amount shown in the Schedule of Excess Loss Insurance. A Specific excess reimbursement is not paid until the Aggregating Specific Deductible has been satisfied.

Application means the application for excess loss insurance submitted by the Contractholder to the Company and accepted by Us in connection with the issuance of this Contract.

Continuation Beneficiary is a Covered Unit which elects to extend its group health coverage under the Employee Benefit Plans pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Contract means the entire agreement between the Contractholder and the Company, specifically including the Contract Application, the Contract form, the Contract Riders, Disclosure Statement, the Contract Addenda (if any), and a copy of the Contractholder's Employee Benefit Plan.

Contract Month means a period measured from the Effective Date of this Contract, while this Contract is in force. Each new Contract Month will begin on a day which corresponds to the Effective Date. If there is no such day in any applicable month, then the last day of the month will be used.

Contract Period is stated in the Schedule.

Contractholder is named in the Schedule.

Covered Person refers to each person, individually, who is a Covered Unit, or, in the case of a dependent, a member of a Covered Unit. In no event will coverage for a dependent become effective before the Effective Date of Coverage of a plan participant under the Employee Benefit Plan.

Covered Unit, for purposes of calculation of the premiums and the Aggregate Deductible Per Month, means a plan participant, a plan participant with dependents, or such other defined unit as agreed upon between the Company and the Contractholder, provided such plan participant, dependents or such other defined unit is covered under the Employee Benefit Plan. The Company reserves the right to verify eligibility of each Covered Unit.

Date of Loss, date a service, supply or drug is provided.

Disabled Person is a plan participant not actively at work or, in the case of a dependent or Continuation Beneficiary, is by disability unable to perform his or her normal functions of a person of like sex and age on the Effective Date of this Contract or the date such person becomes eligible for coverage under the Employee Benefit Plan.

Disclosure Statement means the disclosure statement submitted by the Contractholder to the Company and accepted by Us in connection with the issuance of this Contract.

Eligible Claims Payments means expenses of the Employee Benefit Plan qualifying for coverage under the terms and conditions of this Contract.

Employee Benefit Plan means the master plan document of the Contractholder to provide medical expense benefits to the Contractholder's covered plan participants and dependents of such plan participants in effect on the Effective Date of this Contract, a copy of which has been provided to the Company and made a part of this Contract.

Incurred refers to the date on which a covered medical service was rendered, the date disability benefit payments become due, or a covered medical purchase was made for a Covered Person under the Employee Benefit Plan.

Maximum Aggregate Benefit means the amount set forth in the Schedule as the maximum total Aggregate Benefit payable under the terms, conditions and limitations of this Contract during the Contract Period.

Maximum Eligible Claim Expense Per Person, as it relates to aggregate coverage, means the maximum dollar value of claims Paid on any one Covered Person that can apply toward satisfaction of an Aggregate Deductible, or that can apply toward the calculation of the Aggregate Benefit for a Contract Period.

Maximum Specific Benefit means the amount set forth in the Schedule that is the maximum total Specific Benefit payable under the terms, conditions and limitations of this Contract during the period an individual is a Covered Person under the Employee Benefit Plan, regardless of the number of years the Covered Person is eligible under the Employee Benefit Plan and regardless of whether expenses for this Covered Person were Incurred and Paid during this Contract Period. In the context of the definition of Maximum Specific Benefit, references to "Employee Benefit Plan" include all predecessors and successors of the particular plan in effect on the Contract's Effective Date.

Medically Necessary and Appropriate means that a service, supply or drug is provided by a recognized provider, is accepted by the United States Food and Drug Administration and is generally accepted as the standard of care for the control or cure of the illness or injury being treated by physicians practicing in the same or related specialty.

Minimum Aggregate Deductible means the lowest possible Aggregate Deductible applicable to the Contract Period or fraction thereof. This amount is set forth in the Schedule.

Number of Covered Units means the total number of Covered Units existing in any Contract Month. The Contractholder or its Third Party Administrator shall be responsible for providing the Company with monthly updates as to the Number of Covered Units throughout the Contract Period. The Number of Covered Units reported to the Company by the Contractholder or its Third Party Administrator is subject to audit by the Company as appropriate. A individual or family shall be considered a Covered Unit in a Contract Month if he/she/they were considered covered by the Employee Benefit Plan at any time during the Contract Month.

Paid means that funds are actually disbursed by the Contractholder or his Agent. Payment of a claim is the unconditional and direct payment of a claim to a Covered Person or their health care provider. Payment will be deemed Paid on the date that both (1) the payor directly tenders payment by mailing (or otherwise delivering) a draft or check, and (2) the account upon which the payment is drawn contains, and continues to contain, sufficient funds to permit the check or draft to be honored.

Should the account upon which payment is drawn not contain sufficient funds to cover all outstanding checks and drafts on the account, then the Company may consider, in its sole

discretion, any particular checks or drafts as not having been Paid, but only to the total amount representing the difference between the funds in the account and the total of outstanding checks and drafts.

Payable Percentage means the percentage payable as shown in the Schedule. The calculation of Specific Benefits may be subject to a different Payable Percentage than the calculation of Aggregate Benefits.

Proof of Loss is the form accepted by the Company to be used for the submission of claims as well as the supporting documentation reasonably necessary for the Company's independent evaluation of the legitimacy and extent of the claim. Claims for expenses not specifically identified in previously submitted Proofs of Loss must be accompanied by separate Proofs of Loss.

Reasonable and Customary Charge means the average payment for the same or similar services rendered in the same geographic area by all payors (including commercial payors and Medicare but excluding Medicaid and indigent care payors). the usual charge made by the provider of care for a service, not to exceed the usual charge made by the majority of like providers for the same or like service in the same geographical area in which the service or treatment is performed. If the Plan has a contracted fee arrangement with certain health care providers, Reasonable and Customary shall mean the lessor of the applicable fee as defined in that fee arrangement contract or the amount determined by applying the definition of "Reasonable and Customary" above.

Schedule means the Schedule of Excess Loss Insurance.

Specific Benefit means the amount the Company will pay to the Contractholder for eligible claims Paid by the Contractholder over and above the Contractholder's Specific Deductible Per Person, and pursuant to the terms, conditions and limitations of the Contract.

Specific Benefit Period identifies the dates during which Employee Benefit Plan expenses must be Incurred and must be Paid to be considered eligible for reimbursement as Specific Benefits.

Specific Deductible means the per Covered Person deductible as shown in the Schedule.

II. BENEFITS

The Company will pay, subject to the terms, conditions and limitations of the Contract, the following benefits, if shown in the Schedule, to the Contractholder within a reasonable time upon receipt of a fully executed Proof of Loss:

1. Aggregate

The Aggregate Benefit for the Contract Period, or fraction thereof, is the total of the Eligible Claim Payments, on an Incurred and Paid basis as shown in the Aggregate Benefit Period of the Schedule:

- a. less the Aggregate Deductible or Minimum Aggregate Deductible, whichever is greater; and
- b. less the amount of the claims Paid by the Contractholder in excess of the Maximum Eligible Claim Expense Per Person as shown in the Schedule; and
- c. less amounts recovered from other sources;
- d. multiplied by the Aggregate Payable Percentage.

Aggregate Benefits are not payable until after the end of the Paid basis shown in the Aggregate Benefit Period of the Schedule.

In no event will the Aggregate Benefit exceed the Maximum Aggregate Benefit shown in the Schedule.

2. Specific

The Specific Benefit with regard to each Covered Person, is the total of the Eligible Claim Payments, on a Incurred and Paid basis as shown in the Specific Benefit Period of the Schedule:

- a. less the Specific Deductible; and
- b. less amounts recovered from other sources;
- c. amounts for which a claimant is eligible from Medicare or could have received if the claimant had applied to Medicare;
- d. multiplied by the Specific Payable Percentage.

The Contractholder shall not be entitled to any Specific Benefit unless and until the Contractholder has actually Paid the full amount of the Specific Deductible as set forth in the Schedule for the Covered Person(s) for which the Specific Benefit is sought. The Contractholder shall only be entitled to a Specific Benefit up to the amount actually Paid by Contractholder over and above the Specific Deductible.

If this Contract should terminate prior to the end of the Contract Period, the Company shall not be liable for Specific Benefits for expenses Incurred or Paid by the Contractholder after the termination date. In addition, the deductible per Covered Person will apply as if the Policy were in force for the entire Policy Year.

In no event will the Specific Benefit with regard to any Covered Person exceed the Maximum Specific Benefit shown in the Schedule.

III. LIMITATIONS

1. This Contract will not pay the Contractholder for any loss or expense caused by or resulting from any of the following:
 - a. Expenses incurred while the Employee Benefit Plan is not in force with respect to the Covered Person.
 - b. Expenses resulting from weekly (disability) income, dental, vision or any prescription card service, unless shown in the Schedule.
 - c. Liability assumed by the Contractholder under any contract or service agreement other than the Employee Benefit Plan. This exclusion shall include any liability assumed by the Contractholder pursuant to any employee handbook or other personnel policy not specifically outlined in the Employee Benefit Plan.
 - d. Expenses as the result of extra-contractual damages; compensatory damages; or punitive damages.
 - e. Expenses resulting from treatments, procedures, services, supplies or drugs, which are billed in excess of the Reasonable and Customary charge (as defined in Section I).
 - f. Expenses for benefits for accidental bodily injury or sickness arising out of or in the course of any occupation for wage or profit, for which the Covered Person would be entitled to benefits under any Worker's Compensation, U. S. Longshoremen and Harbor Worker's or other occupational disease legislation or policy, whether or not such policy is actually in force.
 - g. Expenses for the cost of any treatment, procedure, service, supply or drug, which: (1) is not accepted as standard medical treatment for the illness, disease or injury being treated by physicians practicing the suitable medical specialty; (2) is the subject of scientific or medical research or study to determine the item's effectiveness and safety; (3) has not been granted, at the time services were rendered, any required approval by a federal or state governmental agency, including, but not limited to the Federal Department of Health and Human Services, Food and Drug Administration, or any comparable state governmental agency, and the Federal Health Care Finance Administration as approved for reimbursement under Medicare Title XVIII; or (4) is performed subject to the Covered Person's informed consent under a treatment protocol that explains the treatment or procedure as being conducted under a human subject study or experiment.
 - h. Expenses for the cost of any treatment, procedure, service, supplies or drugs which are not Medically Necessary and Appropriate (as defined in Section I).

- i. Cost of the administration of claim payments or expense of litigation with individual claimants.
- j. Expenses paid on behalf of any Covered Person with coverage under any other plan, including Medicare, which, when combined with the benefits payable by such other plan, would cause the total to exceed 100% of the Covered Person's actual expenses.
- k. Payments under the Employee Benefit Plan arising out of or caused by or contributed to or in consequence of war, hostilities (whether war be declared or not), invasion or civil war.
- l. Any services furnished by an institution which is primarily a rest home, a place for the aged, a nursing home, a convalescent home, a place for custodial care, or any other place of like character.
- m. Expenses incurred as a result of any lost savings or discounts offered by a facility or provider due to untimely payment of the bill by the Contractholder or its agent. In no event shall the Company be liable for Eligible Claims Payments that exceed the discounted amount that would have been charged had a timely payment been made.
- n. Notwithstanding the clerical error provision, this Contract shall exclude any amounts Paid for Covered Persons, whose coverage under the Consolidated Omnibus Budget Reconciliation Act (hereafter referred to as COBRA) is continued beyond the timeframes specified by federal law for any reason including clerical error of the Contractholder; who do not receive a valid COBRA extension offer within the 30 days immediately following a COBRA qualifying event; who fail to make a valid, signed COBRA election within the 60 days immediately following the receipt of COBRA election rights from the Contractholder; or who fail to remit COBRA premium within the period specified by federal law. The Company will require written documentation that these requirements have been satisfied.
- o. Expenses of persons who were not reported on the Disclosure Statement who should have been disclosed in compliance with the terms of the Disclosure Statement. This exclusion shall also apply to expenses of persons listed on the Disclosure Statement where information on the Disclosure Statement regarding such person was inaccurate or incomplete.
- p. The exercise of any discretionary authority by the Contractholder or its TPA in the interpretation or application of the Employee Benefit Plan is not binding on the Company.

2. If the Schedule shows disabled persons are not covered, no benefits will be paid under the Contract for expenses Incurred or Paid under the Employee Benefit Plan for a Disabled Person until:

- a. if a plan participant, he or she returns to active, full-time employment for at least one (1) full working day; or
 - b. if a dependent or Continuation Beneficiary, he or she is able to perform the normal functions of a person of like sex and age.
3. Newborn children of plan participants who have previously enrolled and continue to cover their eligible dependents under the Employee Benefit Plan will be eligible under the Contract on the date of the child's birth. If enrolled, newborn children of Employees who have not previously enrolled for dependent coverage will be eligible for newborn child coverage as defined within the Employee Benefit Plan, or within 60 days of such newborn child's birth if not defined within the Employee Benefit Plan.
4. Retired plan participants and their dependents, who are eligible under the Employee Benefit Plan, will be eligible for coverage under the Contract only if so indicated in the Schedule.
5. Written statements by the Insured will be deemed representations and not warranties.

IV. CLAIMS PROVISIONS

1. **Payment of Claims by the Company:** All benefits as they become payable under this Contract will be paid to the Contractholder. The Company shall pay claims within a reasonable time, [30] days after receiving fully executed Proofs of Loss and the documentation reasonably necessary to evaluate the eligibility and extent of the claim.

The Company shall not pay for amounts Paid for Losses where evidence of Payment satisfactory to the Company of such Loss was submitted to the Company more than 120 days after the end of the Benefit Period.

2. **Warranty:** Upon presentation of Proof of Loss to the Company for Aggregate Benefits, the Contractholder warrants that all monies necessary to pay for services and supplies have been paid to the respective providers of medical services or supplies to which the claim for reimbursement relates and that all such monies were Paid prior to the end of the Aggregate Benefit Period.
3. **Notice of Claim:** The Contractholder shall give written notice of claims to the Company within thirty (30) days of the date the Contractholder becomes aware of the existence of facts which would reasonably suggest the possibility that benefits will be incurred which are covered by this Contract and which are equal to or exceed fifty percent (50%) of the Specific Deductible.

In addition, the Contractholder shall notify the Company in writing immediately of the expenses of any Covered Person which meet any of the following criteria:

- a. continuous hospitalization for more than [two weeks] or
- b. a claim for any one of the following conditions: mental disorder requiring hospitalization; brain injury; spinal injury resulting in real or suspected paralysis of the limbs; serious burns involving ten percent (10%) or more of the body with third degree burns or thirty percent (30%) or more of the body with second degree burns; multiple or serious fracture; crushing or massive internal injuries; premature birth; Acquired Immune Deficiency Syndrome (AIDS).
- c. Any potentially catastrophic claim, including but not limited to: cancers, high risk pregnancies, congenital disorders, congenital heart defects, respiratory failures, renal dysfunction or failure, including dialysis treatment, organ, tissue, bone marrow or stem cell transplant evaluation or surgery, and chronic liver disease.
- d. Any other serious condition that you, your large case management vendor or Third Party Administrator thinks may have a chance to require large case management or be potentially catastrophic.

The Contractholder shall submit on a monthly basis proofs, reports, and supporting documents including, but not limited to, a monthly summary of all Eligible Claims Payments processed by the Contractholder.

Failure to furnish written notice will not invalidate or reduce any claim if it was not reasonably possible to provide written notice within the time period required. However, in no event will the Company accept written notice later than one year after the date the written notice is first required or be liable for claims submitted more than twelve months after the end of the Contract Period.

V. **CONTRACT TERMINATION**

The Contract and all benefits hereunder will terminate upon the earliest of the following dates:

1. The termination date specified in writing by the Contractholder provided that the Company is notified not less than 31 days in advance of the termination date.
2. The end of any period for which premiums were paid and subsequent premiums are not paid.
3. The end of the Contract Period.
4. The date of termination of the Employee Benefit Plan.
5. The date of cancellation of the administrative agreement between the Contractholder and the Designated Third Party Administrator, unless the Company has, prior to such cancellation, consented in writing to the Contractholder's designation of a successor

third party administrator.

6. The date the Contractholder suspends active business or is placed in bankruptcy or receivership.

VI. MISCELLANEOUS PROVISIONS

1. **Liability:** The Company will have neither the right nor the obligation under this Contract to directly pay any Covered Person or provider of professional or medical services for any benefit which the Contractholder has agreed to provide under the terms of the Employee Benefit Plan. The Company's sole liability hereunder is to the Contractholder, subject to the terms, conditions and limitations of this Contract. Nothing in this Contract shall be construed to permit a Covered Person to have a direct right of action against the Company.
2. **Payment of Premiums:** Each Premium for this Contract is payable on or before the first day of each calendar month to the Company or to its authorized representative. Payment of a premium will not maintain this Contract in force beyond the period for which such premium is paid, except as otherwise stated in the Grace Period.

If the Effective Date of this Contract is other than the first day of a calendar month, premiums payable under this Contract are due and payable on the first of each subsequent calendar month.

3. **Grace Period:** A Grace Period of thirty (30) days will be allowed for the payment of each premium after the first month's premium. Should a premium otherwise due not be paid during the Grace Period, this Contract will terminate without further notice retroactive to the date for which premiums were last paid. The liability of the Company will be limited to claims Paid by the Contractholder prior to the date of termination. There will be no refund of any premium shown in the Schedule.
4. **Entire Contract:** This Contract Form as issued to the Contractholder, together with the Contractholder's Application, Disclosure Statement, Contract Addenda (if any), and a copy of the Contractholder's Employee Benefit Plan, constitute the entire contract. The Company has relied upon the underwriting information provided by the Contractholder or the Contractholder's Agent, in the issuance of this Contract. Should subsequent information become known which, if known prior to the Effective Date of this Contract, would affect the rates, deductibles, terms or conditions for coverage hereunder, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Contractholder.
5. **Concealment, Fraud:** This entire Contract will be void if, whether before or after a claim or loss, the Contractholder or its Agent has concealed or misrepresented any material fact or circumstance concerning this Contract or the subject thereof, including any claim thereunder or in any case of fraud by the Contractholder or its Agent relating

thereto.

6. **Clerical Error:** Clerical error, whether by the Contractholder or by the Company, in keeping any records pertaining to the coverage, will not invalidate coverage otherwise validly in force nor continue coverage otherwise validly terminated.
7. **Audits:** The Company will have the right: (1) to inspect and audit all records and procedures of the Contractholder and Designated Third Party Administrator; and (2) to require, upon request, proof of records satisfactory to the Company that payment has been made to the Covered Person or the provider of such services or benefits which are the basis for any claim by the Contractholder hereunder and that such services or benefits are eligible under the Employee Benefit Plan and this Contract.
8. **Notice of Appeal:** Any objection, notice of legal action, or complaint received on a claim process by the Contractholder or the Third Party Administrator, and on which it reasonably appears a benefit will be payable to the Contractholder under this Contract shall be brought to the immediate attention of the claims department of the Company.
9. **Changes:** Only the President or Executive Officer of the Company have the authority to alter this Contract, or to waive any of the Company's rights and then only in writing. No such alteration of this Contract shall be valid unless endorsed on or attached to this Contract. No Agent, Broker, or Third Party Administrator has the authority to alter this Contract or to waive any of its provisions.
10. **Notice:** For the purpose of any notice required from the Company under the provisions of this Contract, notice to the Contractholder's Designated Third Party Administrator shall be considered notice to the Contractholder.
11. **Amendments to the Employee Benefit Plan:** The Employee Benefit Plan shall not be changed while this Contract is in force without the prior written consent of the Company. Notice of any amendment to the Employee Benefit Plan must be given to the Company or its authorized representative at least thirty (30) days prior to the Effective Date of the amendment. The Company will have the sole option to accept the amendment to the Employee Benefit Plan, and if accepted, the Company reserves the right to revise the rates, deductibles, terms or conditions of the Contract as of the Effective Date of the amendment. If such amendment is not agreed to in writing, the Company will be liable to pay benefits as if the Employee Benefit Plan was not changed.
12. **Responsibilities of the Contractholder's Designated Third Party Administrator:** Without waiving any of its rights under this Contract, and without making the Designated Third Party Administrator a party to this Contract, the Company agrees to recognize the Designated Third Party Administrator as respects the normal administration of the Contractholder's Plan subject to:
 - a. The Third Party Administrator being responsible on behalf of the Contractholder

for auditing, calculating and processing all claims eligible under the Employee Benefit Plan within a reasonable period of time, preparing periodic reports as required by the Company and maintaining and making available to the Company at all times such information as the Company may reasonably require for proof of payment of the claims(s) by the Contractholder;

- b. The Third Party Administrator performing such other duties as may be reasonably required by the Company, including but not limited to, maintaining an accurate record of eligible Covered Persons of the Contractholder;
- c. The Company will not be responsible for any compensation due the Designated Third Party Administrator for functions performed in relation to this Contract; and
- d. This Contract will not be deemed to make the Company a party to any agreement between the Contractholder and the Designated Third Party Administrator.

13. Hold Harmless:

- a. The Contractholder agrees to indemnify and hold the Company harmless for: (1) liability related to any negligence, error, omission or intentional misconduct of the Contractholder or its Third Party Administrator; or (2) any legal expenses incurred, reasonable settlements made, or judgment(s) awarded, arising out of any dispute involving a participant or former participant of the Contractholder's Employee Benefit Plan provided such legal expenses, settlements, or judgments were not incurred as a result of the sole negligence or intentional wrongful acts of the Company.

The Company, following any notification of its being, or likely to be, named as a defendant on any action concerning the aforementioned dispute will, within a reasonable time, in writing, notify the Contractholder of the dispute. The Company will cooperate with the Contractholder in matters pertaining to the dispute, however, such cooperation with the Contractholder will not waive the right of the Company to solely defend or settle any action in a manner it deems prudent.

- b. The Contractholder shall be responsible for any State premium taxes incurred with respect to funds paid to or by the Contractholder under the Employee Benefit Plan. Taxes incurred with respect to premiums paid for the Contract will be the responsibility of the Company.

14. **Offset:** The Company will be entitled to offset claim reimbursements to the Contractholder against premiums due and unpaid by the Contractholder and/or any refunds due the Company due to overpayments made to the Contractholder on premiums claim(s).

15. **Assignments:** The Contractholder shall not assign any of its rights under this Contract

without the prior written consent of the Company, and any assignment without prior written consent shall be void.

16. **Subrogation:** The Contractholder shall prosecute any and all valid claims that the Contractholder may have against third parties arising out of any occurrence resulting in a loss payment by the Contractholder and to account for any amounts recovered. Should the Contractholder fail to prosecute any valid claims against third parties and the Company thereupon becomes liable to make payments to the Contractholder under the terms and conditions of this Contract, then the Company shall assume all the Contractholder's rights to prosecute any valid claims against third parties, and the Contractholder will be responsible for any reasonable legal expenses incurred in the course of the prosecution.
17. **Recoveries:** The Company shall be entitled to recover first up to its full share of reimbursed claims before the Contractholder shares in any amount so recovered whether by way of subrogation or otherwise.
18. **Arbitration:** Any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by Arbitration in accordance with the rules of the American Arbitration Association, with the express stipulation that the arbitrator(s) shall strictly abide by the terms of this Contract and shall strictly apply rules of law applicable thereto. All matters shall be decided by a panel of three (3) arbitrators. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. This provision shall survive the termination or expiration of this Contract. The parties hereto may alter any of the terms of this provision only by express written agreement, although such alteration may be before or after any rights or obligations arise under this provision.
19. **Insolvency:** The insolvency, bankruptcy, financial impairment, receivership, voluntary plan of arrangement with creditors, or dissolution of the Contractholder or the Contractholder's Designated Third Party Administrator shall not impose upon the Company any liability other than the liability defined in this Contract. In particular, the insolvency of the Contractholder shall not make the Company liable to the creditors of the Contractholder, including Covered Persons.
20. **Severability Clause:** Any clause deemed void, voidable, invalid, or otherwise unenforceable, whether or not such a provision is contrary to public policy, shall not render any of the remaining provisions of the Contract invalid.
21. **Renewal:** Renewal is not automatic but is available if permitted by the Company. Renewal may be subject to new premium rates, new underwriting terms, and new Contract terms.
22. **Group Specifications – Changes:** The Company reserves the right to revise rates, deductibles, terms or conditions of the Contract on any of the following dates:

1. When the Contractholder adds or deletes a subsidiary or affiliate;
 2. When there is a change in the geographical area in which the Contractholder is located;
 3. When there is a change in the nature of business in which the Contractholder is engaged;
 4. When there is an increase or decrease in the number of Covered Units which exceeds 10% in any one month or 20% over any period of three consecutive months.
 5. The Company reserves the right to recalculate the premium rate and the Aggregate Deductible Factors retroactively for the Contract Period if there is more than a ten percent (10%) variance between;
 - a. the average monthly Paid claims under the Employee Benefit Plan for the last two (2) months of the prior Contract Period;
 - b. and the average monthly Paid claims under the Employee Benefit Plan for the first (ten) months of the prior Contract Period.
23. **Reinstatement:** The Company may agree at its sole option and without prejudice to the Company's right under this policy to reinstate coverage as of the effective date of cancellation, on receipt and approval of written request for reinstatement and any and all other material and/or information as the Company may request, including but not limited to all outstanding premiums plus interest due from the effective date of reinstatement at a rate of not less than 1.5% per month compounded monthly. No insurance shall be reinstated until the Company notifies the Contractholder in writing and any premiums have been paid.
24. **Misstated Data:** The Company had relied upon the underwriting information provided by the Contractholder or its agent in the issuance of this Policy. If the Company subsequently learns of information which was known but not disclosed prior to the Effective Date of the Policy, and such information would have affected the premium rates, Monthly Aggregate Deductible Factors, Specific or Aggregate Deductibles, terms or any other conditions for coverage, the Company will have the right to:
1. rescind the Policy as of the Effective Date. In the event of Policy rescission, the Company's sole liability will be to return any monies Paid by the Contractholder as consideration for this Policy and less any claims or other expenses paid by the Company under this Policy. If such amount paid by the Company are greater than the amount of the refund due the Contractholder, the Contractholder shall pay the amount of the deficit to the Company within thirty (30) days notify form the Company. If repayment in full is not made within the thirty (30) day period, the Company will be entitled to assess monthly a late payment fee equal to 1.5% of the outstanding balance; or
 2. adjust the premium rates, monthly Aggregate Deductible Factor, Specific or

Annual Aggregate Deductibles respectively, terms or any other conditions for coverage as of the Effective Date by providing written notice to the Contractholder.

Gerber Life Insurance Company

1311 Mamaroneck Avenue, White Plains, New York 10605

Issues this Rider to be attached to and form part of Excess Loss Contract Number _____

Rider Effective Date _____.

It is understood and agreed by the Company that the above Contract is amended by the addition of the following provision.

AGGREGATE ACCOMMODATION

The Aggregate Accommodation is part of the Aggregate Benefits section and is subject to all limitations, conditions, and definitions contained in said section. The Aggregate Accommodation is available to the Contractholder only if the Contractholder (or its Third Party Administrator) properly pays claims as provided by the Contract and meets the claims reporting requirements outlined in the Contract. If such claim payments are not properly made, or if such claims reporting requirements are not met, the Company will be relieved of the obligation to make available to the Contractholder the benefits and services provided for by this Rider. No Aggregate Accommodation will be paid during any month until all due premium for the Contractholder's coverage is received by the Company.

AGGREGATE ACCOMMODATION. If claims (determined on the same basis as for the Aggregate Benefit) exceed the Accumulated Accommodation Point by One Thousand Dollars (\$1,000.00), the Company will pay to the Contractholder an Aggregate Accommodation equal to the amount of claims which exceed the Accumulated Accommodation Point. Accumulated Accommodation Point is the sum of the monthly aggregate factors set forth in the schedule pages multiplied by the number of covered units for each month during the policy period and for those months where premiums are paid in full. If an Aggregate Accommodation is outstanding, any future Aggregate Accommodations will equal the amount which claims exceed the Accumulated Accommodation Point minus the Aggregate Accommodations outstanding. An Aggregate Accommodation shall be repaid to the Company by the Contractholder as provided below:

(1) AFTER AN AGGREGATE ACCOMMODATION IS MADE AND UNTIL IT IS FULLY REPAID.

If during any month the Accumulated Accommodation Point is greater than the claims minus the Aggregate Accommodations outstanding, the Contractholder will promptly pay to the Company the lesser of:

- (a) the amount which the Accumulated Accommodation Point exceeds the claims minus the Aggregate Accommodations outstanding; or
- (b) the Aggregate Accommodations outstanding.

(2) IN THE EVENT THE CONTRACTHOLDER'S COVERAGE TERMINATES BEFORE THE END OF THE

CONTRACT PERIOD.

The Contractholder will promptly pay to the Company any Aggregate Accommodations outstanding on the date the Contractholder's coverage terminates.

(3) AGGREGATE ACCOMMODATIONS OUTSTANDING AT THE END OF THE CONTRACT PERIOD.

If the Aggregate Deductible Amount is greater than the claims minus the Aggregate Accommodations outstanding, the Contractholder will promptly pay to the Company the lesser of:

- (a) the amount which the Aggregate Deductible Amount exceeds the claims minus the Aggregate Accommodations outstanding; or
- (b) the Aggregate Accommodations outstanding.

Any Aggregate Accommodations not repaid at the end of the Contract Period will be deducted from any amounts of indemnity provided under the Aggregate Benefits section. The calculations of Aggregate Accommodations will be determined on the basis of each Contract period. No Aggregate Accommodations will be carried over into the subsequent Contract Period.

(4) OBLIGATION OF CONTRACTHOLDER.

An Aggregate Accommodation provided under this Rider is an obligation of the Contractholder to the Company and shall be repaid as provided herein. An Aggregate Accommodation is neither a loan nor an advance on any payments to be made pursuant to the Contract. Any Accommodation Advance shall at all times be considered funds of the Company for which the use by the Contractholder of such funds is provided in the Contract. The Company will have preference over all other claimants for the return of any Aggregate Accommodations made under the Contract. The Contractholder will be liable for all costs and expenses (including reasonable attorney fees) incurred in the collection of any Aggregate Accommodations outstanding.

The Company will not charge interest on the amount of the Aggregate Accommodation. However, the Contractholder will be assessed a late payment penalty equal to 2% of the Aggregate Accommodations outstanding if the Contractholder does not repay Aggregate Accommodation to the Company within fifteen (15) days from the date the amount of the Aggregate Accommodation repayment is determined.

Nothing contained in this Rider will be held to affect any of the terms of the Contract other than as stated herein.

Signed by the Company:

[



]

[President and CEO]

TERMINAL LIABILITY RIDER

In consideration of the Terminal Liability Premium paid, as shown in the Schedule, this Rider is attached to and made a part of Contract Number _____ and is effective _____.

The Gerber Life Insurance Company and the Contractholder agree that if the Contract to which this Rider is attached is terminated by the Contractholder at the end of the Contract Period, then:

- 1) Article (1) Definitions is amended as follows:

AGGREGATE DEDUCTIBLE means the sum of each Aggregate Deductible Per Month for each month during the Contract Period, multiplied by [135]%; or the Minimum Aggregate Deductible multiplied by [135]%, whichever is greater.

- 2) The paid period for the Aggregate Contract Basis, as shown in the Schedule, is amended to read, "Paid during the Contract Period or within [3] months immediately thereafter."

This Rider is only applicable when termination occurs at the end of the Contract Period and only if the Employee Benefit Plan terminates and it is not replaced by another self-funded plan.

Except as stated in this Rider, nothing contained herein shall be deemed to alter or affect any of the provisions of the Contract.

The Contractholder must provide written notice of contract termination to the company within 30 days of the end of the contract period.

If the Contract terminates for any reason prior to the last day of the Contract Period, the amendment will be void. No portion of premium will be refundable.

The Contractholder must elect and pay premium for the term.

During the Terminal Liability Period, the specific Stop Loss Coverage [and Monthly Aggregate Accommodation] are no longer in effect.

[Run-out claims subject to this Rider may not exceed the amount of claims paid during the final ninety (90) days of the twelve (12) month stop loss period.]

In consideration of this Rider option, the Contractholder will be required to pay additional aggregate premium of [\$xxxx]

Signed by the Company:

[

]
[President]

GERBER LIFE INSURANCE COMPANY
[1311 MAMARONECK AVENUE
WHITE PLAINS, NY 10605]

Gerber Life Insurance Company

[1311 Mamaroneck Avenue, White Plains, New York 10605]

Advance Funding for Specific Excess Loss

The term Advance Funding is defined as follows:

Advance Funding shall mean the process by which we issue funds to you equal to the amounts eligible under your Plan as eligible benefits for an insured person during the contract year after:

- You have paid an amount equal to the Contractholder's Retention for an insured person during the payment period as set forth on the Schedule Page of the Stop Loss Contract, and
- You have claims for eligible benefits greater than [_____] over the Policyholder's Retention which have not been paid.

Except as set forth herein, all terms, conditions, and provisions of the Policyholder's Excess Loss Insurance Contract will apply.

On the condition that all the provisions of the Excess Loss Contract and conditions set forth herein have been followed, we agree to provide you with Advance Funding. Before a claim will be approved for Advance Funding, we must receive satisfactory proof of claim eligibility, including all information requested in the Claims Kit and any other information requested by Gerber Life to determine Gerber Life's liability for the claim. Any claims approved for Advance Funding by Gerber Life will be considered reimbursed by Gerber Life and will not be further eligible for reimbursement at time of payment under the Excess Loss Contract.

Limitations

- Advance Funding is only available while the Excess Loss Contract is in force.
- Advance Funding is only available for claims for eligible benefits greater than [_____] over the Policyholder's Retention.
- Advance Funding is not available during the last [30] days of the payment period as set forth on the Schedule Page of the Stop Loss Contract.
- The Company must receive the request for Advance Funding and satisfactory proof of claim eligibility, including all information requested [in the Claim Kit] and any other information as might be necessary to determine liability for the claim no later than [30] days prior to the end of the payment period of the contract.
- Policyholder must fund, via mail or electronic funds transfer, the claim for which Advance Funding is requested within [10] business days of receipt of Advance Funding from Gerber Life. If such payment is not made by Policyholder within [10] days, Policyholder shall immediately refund to Gerber Life the funds advanced by Gerber Life to Policyholder and Gerber Life may revoke Advance Funding privileges.

- It is the Policyholder's sole responsibility to request and apply Advance Funding in a manner that will secure appropriate provider discounts. In the event Policyholder cannot fund a claim in time to secure appropriate provider discounts, Gerber Life will not be liable for the amount that the discounts would have been if the provider had been timely paid.
- It is the Policyholder's sole responsibility to request and apply Advance Funding in a manner consistent with all current Plan and Contract provisions and applicable state and federal laws. In the event the Policyholder cannot request and receive Advance Funding from Gerber Life in time to meet any provision of the Plan, Contract or applicable law, Policyholder must immediately pay all claims for Eligible Benefits. No provision herein shall be deemed to alter the requirement contained in the Contract that claims for eligible benefits be paid by Policyholder within the Contract Basis period.

Nothing contained in this Rider will be held to affect any of the terms of the Contract other than as stated herein.

Signed by the Company:


[
[President and CEO]]


[
[Secretary]]

**APPLICATION TO
GERBER LIFE INSURANCE COMPANY
1311 Mamaroneck Avenue
White Plains, NY 10605
FOR
AGGREGATE AND SPECIFIC EXCESS LOSS INSURANCE**

Application is hereby made to the Gerber Life Insurance Company ("Company") for Excess Loss Insurance. This Application must be accepted and approved by the Company or its authorized representative prior to any Contract being in existence.

GENERAL INFORMATION

1. Full Legal Name of Applicant:

2. Address:

City: _____ State: _____ Zip Code: _____

3. If Employee Benefit Plans of subsidiary or affiliated companies (companies under common control through stock ownership, contract, or otherwise) are to be included, list legal name and addresses of such companies.

4. Enter the full name of your Employee Benefit Plan(s) - (A copy of such Employee Benefit Plan(s) must be attached.)

5. Name and address of Designated Third Party Administrator:

6. Effective Date:

7. Estimated Initial Enrollment (will be used as the Number of Covered Units during the first Contract Month):
_____ Singles and _____ Families (or) _____ Composite _____ Total Covered Units

8. Disabled and Retiree Coverage

Disabled and Retired persons as defined in the Definitions section of the Contract will be covered only if disclosed on the Disclosure Statement.

- (a) Disabled Persons [] are [] are not covered.
Retired Employees [] are [] are not covered.
-

A. SPECIFIC BENEFIT

- 1.) Specific Benefit: [] Yes [] No
- 2.) Specific Eligible Benefit: [] Medical Only Coverage [] Medical & Prescription Drug Coverage

Note: Dental, Disability, or Vision are never included under Specific Excess Loss Insurance Coverage

- 3.) Specific Deductible (per individual) \$ _____
- 4.) Advance Funding for Specific Excess Loss: [] Yes [] No
- 5.) Aggregating Specific Deductible: [] Yes If yes: \$ _____
[] No N/A
- 6.) Specific Contract Basis:
Employee Benefit Plan expenses must be Incurred from _____ through _____
and Paid from _____ through _____
- 7.) Claims incurred prior to the Contract Effective Date are limited to: \$ _____
- 8.) Specific Payable Percentage (excess of deductible) _____ %
- 9.) Maximum Specific Benefit (per covered unit in excess of specific deductible): \$ _____
- 10.) Specific Premium Rates: (per month)
Single \$ _____ Employee + Child \$ _____ Employee + Spouse \$ _____ Family \$ _____
- 11.) Minimum Monthly Specific Premium: \$ _____
- 12.) Special Risk Limitations:

14. **IT IS UNDERSTOOD AND AGREED, AS CONDITIONS PRECEDENT TO THE APPROVAL OF THIS APPLICATION, THAT:**

- (a) All documentation requested by the Company must be submitted prior to any approval of this Application and must be received by the Company within ninety (90) days of the requested Effective Date.
- (b) If the Schedule shows disabled persons are not covered, no benefits will be paid under the Contract for expenses Incurred or Paid under the Employee Benefit Plan for a disabled person until:
 - (1) if an employee, he or she returns to active, full-time employment for at least one (1) full working day; or
 - (2) if a dependent or Continuation Beneficiary, he or she is able to perform the normal functions of a person of like sex and age.
- (c) Issuance of the Contract is in reliance upon the information provided by the Applicant or its Agent. Should subsequent information become known which, if known prior to issuance of the Contract, would have affected the rates, deductibles, terms or conditions for coverage, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Insured.
- (d) The Contract, if issued, may be void, if whether before or after a claim or loss, any material fact or circumstance was concealed or misrepresented on behalf of the Applicant, or if the Applicant or its Agent, committed fraud.
- (e) Receipt of a premium and its deposit in connection with the Application shall not constitute an acceptance of liability. In the event that Gerber Life Insurance Company disapproves this Application, its sole obligation shall be to refund such sum to the Applicant.
- (f) If a Contract is issued and later rescinded, the sum of all benefits paid will be deducted from the sum of all premiums paid. If the result is positive, such amount will be paid by the Company to the Applicant. If the result is negative, such amount will be paid by the Applicant to the Company.
- (g) The initial premium will be paid on or before the Effective Date, and subsequent premiums are due no later than the first day of each calendar month during the Contract Year.
- (h) Applicant acknowledges that the Contract which is the subject of this Application is a reimbursement Contract. Applicant must first pay claims before submitting them for reimbursement.
- (i) Oral Statements not expressly incorporated herein are not part of this Contract. Only the President or Executive Officer of the Company may make changes to the Contract Form or Addenda on behalf of the Company. All changes to this Contract must be in writing and attached to this Contract.
- (j) NEITHER THIS APPLICATION NOR THE TERMS OF THIS APPLICATION MAY BE ALTERED.

NOTICE: Employers/plan sponsors of self-funded health plans should not consider the purchase of stop loss coverage and/or excess loss coverage as complete protection from all liability created by the self-funded health plan. Employers/plan sponsors should be aware that the failure to comply with the terms of the stop loss policy and/or the provisions in the self-funded health plan may cause the employer/plan sponsor to incur liabilities under the health plan. For instance, if medical claims are paid on an ineligible individual, the stop loss carrier may deny the reimbursement under the stop loss policy. In addition, the Arkansas Life and Health Insurance Guaranty Association does not cover claims reimbursable under a stop loss policy.

In making this Application, the Applicant represents that, to the best of its knowledge and belief, such information accurately reflects the true facts and that the undersigned has authority to bind the Applicant to the proposed Contract. Accordingly, this Application, and Disclosure Statement will be a part of the Contract if accepted by the Company or its authorized representative.

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Dated at _____ this _____ day of _____ (19 _____)

Witness: _____ Applicant: _____

Tax ID# _____

By: _____
(Officer/Partner)

Title: _____

ACCEPTANCE

Accepted on behalf of the Company, this _____ day of _____

By: _____

Title: _____

Contract No.: _____ Effective Date: _____

<i>SERFF Tracking Number:</i>	<i>GLIN-125760965</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Gerber Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>39849</i>
<i>Company Tracking Number:</i>	<i>GLXLPOL-07</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>Stop Loss</i>		
<i>Project Name/Number:</i>	<i>Stop Loss/GLXLPOL-07</i>		

Rate Information

Rate data does NOT apply to filing.

<i>SERFF Tracking Number:</i>	<i>GLIN-125760965</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Gerber Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>39849</i>
<i>Company Tracking Number:</i>	<i>GLXLPOL-07</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>Stop Loss</i>		
<i>Project Name/Number:</i>	<i>Stop Loss/GLXLPOL-07</i>		

Supporting Document Schedules

Satisfied -Name:	Certification/Notice	Review Status:	Approved-Closed	08/20/2008
Comments:				
Attachments:				
	ARKANSAS CERTIFICATION.pdf			
	AR Readability Certification.pdf			
Bypassed -Name:	Application	Review Status:	Approved-Closed	08/20/2008
Bypass Reason:	Application is on the form schedule.			
Comments:				
Satisfied -Name:	Health - Actuarial Justification	Review Status:	Approved-Closed	08/20/2008
Comments:				
Attachments:				
	Gerber Life Rating Manual.pdf			
	stop loss actuarial memorandum.pdf			
Bypassed -Name:	Outline of Coverage	Review Status:	Approved-Closed	08/20/2008
Bypass Reason:	N/A			
Comments:				
Satisfied -Name:	Cover Letter	Review Status:	Approved-Closed	08/20/2008
Comments:				
Attachment:				
	AR Stop Loss Letter.pdf			

ARKANSAS CERTIFICATION

I, Robert Lodewick, Vice President and General Counsel of Gerber Life Insurance Company, certify that we are in compliance with:

Rule and Regulation 19 and 49 of the Arkansas Code.

Sincerely,

GERBER LIFE INSURANCE COMPANY

READABILITY CERTIFICATION

I certify that the forms listed on the attached page(s) meet the standards of your State's Readability Laws.

GERBER LIFE INSURANCE COMPANY



Signature

Robert Lodewick

Name

Vice President/General Counsel

Title

8/4/2008

Date

GERBER LIFE INSURANCE COMPANY

Flesch Scores from forms submitted with this filing are:

<u>Form No.</u>	<u>Flesch Score</u>
GLTERMEXT	48.7
GLXLPOL-07	47.2
GLXL-AF-07	50.3
AAR-07	56.9
GLXLAPP-07 -AR	49.3

Gerber Life Insurance Company
Specific and Aggregate
Stop Loss Rating Manual

Gerber Life Rating Manual

Section	Subject	Page
1	Essential Benefits and Coverage's	3
2	Limitations	4
3	Underwriting Guidelines	6
Table	Subject	Page
1	Base Rates	7
2	Trend Adjustment Factors	8
3	Provider Network Discount Adjustment Factors	10
4	Contract Type Adjustment	12
5	Industry Adjustment Factors	13
6	Area Factors	45
7	Age/Gender Adjustment Factors	47
8	Dependent Count Estimation Factors	48
9	Tier Rating Factors	49
10	Expenses	50
Exhibit 1	Hypothetical Case Characteristics	51

Section 1

DEFINITION OF BENEFITS

This is health stop-loss insurance. It is an annual contract between the insurance company and the employer. No direct relationship will exist between the insurance company and the employees. It is the employer who will provide medical benefit to its employees.

These contracts do not cover first dollar medical benefits. Instead they cover claims in excess of an agreed upon level of risk.

Aggregate rates will be experience rated.

Section 2

LIMITATIONS

- a. Expenses incurred while the Employee Benefit Plan is not in force with respect to the Covered Person.
- b. Expenses resulting from weekly (disability) income, dental, vision or any prescription card service, unless shown in the Schedule.
- c. Liability assumed by the Contractholder under any contract or service agreement other than the Employee Benefit Plan. This exclusion shall include any liability assumed by the Contractholder pursuant to any employee handbook or other personnel policy not specifically outlined in the Employee Benefit Plan.
- d. Expenses as the result of extra-contractual damages; compensatory damages; or punitive damages.
- e. Expenses resulting from treatments, procedures, services, supplies or drugs, which are billed in excess of the Reasonable and Customary charge (as defined in Section I).
- f. Expenses for benefits for accidental bodily injury or sickness arising out of or in the course of any occupation for wage or profit, for which the Covered Person would be entitled to benefits under any Worker's Compensation, U. S. Longshoremen and Harbor Worker's or other occupational disease legislation or policy, whether or not such policy is actually in force.
- g. Expenses for the cost of any treatment, procedure, service, supply or drug, which: (1) is not accepted as standard medical treatment for the illness, disease or injury being treated by physicians practicing the suitable medical specialty; (2) is the subject of scientific or medical research or study to determine the item's effectiveness and safety; (3) has not been granted, at the time services were rendered, any required approval by a federal or state governmental agency, including, but not limited to the Federal Department of Health and Human Services, Food and Drug Administration, or any comparable state governmental agency, and the Federal Health Care Finance Administration as approved for reimbursement under Medicare Title XVIII; or (4) is performed subject to the Covered Person's informed consent under a treatment protocol that explains the treatment or procedure as being conducted under a human subject study or experiment.
- h. Expenses for the cost of any treatment, procedure, service, supplies or drugs which are not Medically Necessary and Appropriate (as defined in Section I).
- i. Cost of the administration of claim payments or expense of litigation with individual claimants.
- j. Expenses paid on behalf of any Covered Person with coverage under any other plan, including Medicare, which, when combined with the benefits payable by such other plan, would cause the total to exceed 100% of the Covered Person's actual expenses.
- k. Payments under the Employee Benefit Plan arising out of or caused by or contributed to or in consequence of war, hostilities (whether war be declared or not), invasion or civil war.
- l. Any services furnished by an institution which is primarily a rest home, a place for the aged, a nursing home, a convalescent home, a place for custodial care, or any other place of like character.
- m. Expenses incurred as a result of any lost savings or discounts offered by a facility or provider due to untimely payment of the bill by the Contractholder or its agent. In no event shall the Company be liable for Eligible Claims Payments that exceed the discounted amount that would have been charged had a timely payment been made.
- n. Notwithstanding the clerical error provision, this Contract shall exclude any amounts Paid for Covered Persons, whose coverage under the Consolidated Omnibus Budget Reconciliation Act (hereafter referred to as COBRA) is continued beyond the timeframes specified by federal law for any reason

including clerical error of the Contractholder; who do not receive a valid COBRA extension offer within the 30 days immediately following a COBRA qualifying event; who fail to make a valid, signed COBRA election within the 60 days immediately following the receipt of COBRA election rights from the Contractholder; or who fail to remit COBRA premium within the period specified by federal law. The Company will require written documentation that these requirements have been satisfied.

- o. Expenses of persons who were not reported on the Disclosure Statement who should have been disclosed in compliance with the terms of the Disclosure Statement. This exclusion shall also apply to expenses of persons listed on the Disclosure Statement where information on the Disclosure Statement regarding such person was inaccurate or incomplete.
- p. The exercise of any discretionary authority by the Contractholder or its TPA in the interpretation or application of the Employee Benefit Plan is not binding on the Company.
- q. The Company shall not be liable for claims for which a Proof of Loss submitted more than 90 days after the end of the Benefit Period.

Section 3 Underwriting Guidelines

Group Size

The minimum group size is 50 employees, exclusive of dependents.

Participation

Employee -100% if employer pays 100% of the cost of employee coverage, 70% if the employee contributions toward the cost of employee coverage.

Dependent-Underwriter judgment

Eligible employees that are enrolled in an alternate plan such as an HMO will not be regarded as eligible for the purposes of the above participation requirements; however the percentage of such employees should not exceed 40%.

Specific Benefit Deductible

Minimum	\$5,000
Maximum	\$500,000

Aggregate benefits

Are experience rated and include a minimum corridor of 120%.

Underwriter Discretion

An underwriter based upon their review of a case can discount or increase the rates based upon the experience.

Minimum Factor	.7
Maximum Factor	1.20

**Table 1
Base Rates
Effective 1/1/2007**

Base Rates effective 1/1/2007		
Specific Deductible	PMPM Base Rate with Rx *	PMPM Base Rate without Rx*
\$10,000	\$206.56	\$189.70
\$15,000	\$179.27	\$166.55
\$20,000	\$159.68	\$149.12
\$25,000	\$144.26	\$135.23
\$30,000	\$131.71	\$123.88
\$35,000	\$121.27	\$114.37
\$40,000	\$112.38	\$106.25
\$45,000	\$104.76	\$99.25
\$50,000	\$98.13	\$93.12
\$55,000	\$92.24	\$87.68
\$60,000	\$86.97	\$82.83
\$65,000	\$82.25	\$78.48
\$70,000	\$78.00	\$74.54
\$75,000	\$74.13	\$70.93
\$80,000	\$70.57	\$67.63
\$85,000	\$67.30	\$64.60
\$90,000	\$64.29	\$61.79
\$95,000	\$61.49	\$59.17
\$100,000	\$58.88	\$56.71
\$110,000	\$54.16	\$52.25
\$120,000	\$50.04	\$48.32
\$125,000	\$48.17	\$46.52
\$130,000	\$46.41	\$44.83
\$140,000	\$43.17	\$41.72
\$150,000	\$40.28	\$38.92
\$160,000	\$37.68	\$36.40
\$170,000	\$35.32	\$34.12
\$175,000	\$34.22	\$33.06
\$180,000	\$33.16	\$32.05
\$190,000	\$31.21	\$30.16
\$200,000	\$29.43	\$28.43
\$225,000	\$25.52	\$24.66

Base Rates effective 1/1/2007		
Specific Deductible	PMPM Base Rate with Rx *	PMPM Base Rate without Rx*
\$250,000	\$22.33	\$21.59
\$275,000	\$19.67	\$19.02
\$300,000	\$17.44	\$16.87
\$325,000	\$15.55	\$15.06
\$350,000	\$13.92	\$13.52
\$375,000	\$12.57	\$12.20
\$400,000	\$11.41	\$11.08
\$425,000	\$10.39	\$10.09
\$450,000	\$9.48	\$9.22
\$475,000	\$8.67	\$8.45
\$500,000	\$7.97	\$7.77
\$550,000	\$6.78	\$6.63
\$600,000	\$5.83	\$5.72
\$650,000	\$5.05	\$4.96
\$700,000	\$4.41	\$4.33
\$750,000	\$3.86	\$3.80
\$800,000	\$3.39	\$3.35
\$850,000	\$3.01	\$2.98
\$900,000	\$2.69	\$2.67
\$950,000	\$2.42	\$2.41
\$1,000,000	\$2.19	\$2.18

* Rates reflect claim costs only

**Table 2
Trend Factors**

Trend Adjustment Factors

Specific Deductible	First Dollar Annual Trend Rates									
	2.0%	4.0%	6.0%	8.0%	10.0%	12.0%	14.0%	16.0%	18.0%	20.0%
\$10,000	2.8%	5.7%	8.5%	11.3%	14.2%	17.0%	19.9%	22.9%	25.8%	28.8%
\$15,000	2.9%	5.9%	8.8%	11.8%	14.7%	17.8%	20.8%	23.9%	27.0%	30.1%
\$20,000	3.0%	6.1%	9.1%	12.1%	15.2%	18.3%	21.4%	24.6%	27.8%	31.1%
\$25,000	3.0%	6.2%	9.3%	12.4%	15.5%	18.7%	22.0%	25.2%	28.5%	31.8%
\$30,000	3.1%	6.3%	9.5%	12.6%	15.8%	19.1%	22.4%	25.7%	29.1%	32.5%
\$35,000	3.1%	6.4%	9.6%	12.9%	16.1%	19.4%	22.8%	26.2%	29.6%	33.1%
\$40,000	3.2%	6.5%	9.8%	13.0%	16.4%	19.7%	23.1%	26.5%	30.1%	33.7%
\$45,000	3.2%	6.6%	9.9%	13.2%	16.6%	20.0%	23.4%	27.0%	30.5%	34.1%
\$50,000	3.2%	6.7%	10.0%	13.3%	16.7%	20.2%	23.7%	27.2%	30.8%	34.5%
\$55,000	3.3%	6.8%	10.1%	13.5%	17.0%	20.5%	24.0%	27.6%	31.3%	34.9%
\$60,000	3.3%	6.8%	10.2%	13.7%	17.2%	20.7%	24.4%	28.0%	31.7%	35.5%
\$65,000	3.4%	6.9%	10.4%	13.8%	17.4%	21.0%	24.6%	28.3%	32.1%	35.9%
\$70,000	3.4%	7.0%	10.4%	14.0%	17.5%	21.1%	24.8%	28.6%	32.4%	36.2%
\$75,000	3.4%	7.0%	10.5%	14.1%	17.7%	21.4%	25.1%	28.9%	32.7%	36.6%
\$80,000	3.4%	7.1%	10.7%	14.2%	17.9%	21.6%	25.4%	29.2%	33.0%	37.0%
\$85,000	3.5%	7.2%	10.8%	14.4%	18.1%	21.8%	25.6%	29.5%	33.4%	37.4%
\$90,000	3.5%	7.3%	10.8%	14.5%	18.2%	22.0%	25.9%	29.8%	33.8%	37.8%
\$95,000	3.5%	7.3%	11.0%	14.7%	18.4%	22.2%	26.1%	30.1%	34.1%	38.2%
\$100,000	3.6%	7.4%	11.1%	14.8%	18.6%	22.5%	26.4%	30.4%	34.4%	38.6%
\$110,000	3.6%	7.5%	11.3%	15.1%	19.0%	23.0%	27.0%	31.0%	35.2%	39.4%
\$120,000	3.6%	7.6%	11.4%	15.3%	19.2%	23.3%	27.4%	31.5%	35.8%	40.1%
\$125,000	3.7%	7.7%	11.5%	15.4%	19.4%	23.4%	27.6%	31.8%	36.0%	40.4%
\$130,000	3.7%	7.8%	11.6%	15.6%	19.5%	23.6%	27.8%	32.0%	36.3%	40.7%
\$140,000	3.8%	7.9%	11.8%	15.8%	19.9%	24.0%	28.2%	32.5%	36.9%	41.4%
\$150,000	3.8%	8.0%	12.0%	16.0%	20.1%	24.3%	28.6%	33.0%	37.5%	42.0%
\$160,000	3.9%	8.1%	12.1%	16.2%	20.4%	24.7%	29.0%	33.4%	37.9%	42.6%
\$170,000	3.9%	8.2%	12.3%	16.4%	20.7%	25.0%	29.4%	33.9%	38.5%	43.2%
\$175,000	4.0%	8.3%	12.4%	16.6%	20.8%	25.2%	29.6%	34.1%	38.8%	43.5%
\$180,000	4.0%	8.3%	12.5%	16.7%	21.0%	25.4%	29.8%	34.4%	39.0%	43.9%
\$190,000	4.0%	8.4%	12.6%	16.9%	21.2%	25.7%	30.2%	34.8%	39.6%	44.4%
\$200,000	4.1%	8.5%	12.7%	17.0%	21.4%	25.9%	30.5%	35.2%	40.0%	45.0%
\$225,000	4.2%	8.8%	13.2%	17.6%	22.2%	26.9%	31.6%	36.5%	41.4%	46.4%
\$250,000	4.3%	8.9%	13.4%	18.0%	22.6%	27.5%	32.5%	37.5%	42.6%	47.9%
\$275,000	4.4%	9.1%	13.7%	18.4%	23.2%	28.2%	33.2%	38.4%	43.7%	49.0%
\$300,000	4.4%	9.3%	13.9%	18.7%	23.6%	28.7%	33.8%	39.2%	44.7%	50.2%
\$325,000	4.4%	9.5%	14.1%	19.0%	24.0%	29.2%	34.4%	39.8%	45.4%	51.1%
\$350,000	4.6%	9.8%	14.5%	19.5%	24.4%	29.7%	35.0%	40.6%	46.2%	52.2%
\$375,000	4.7%	9.8%	14.5%	19.3%	24.6%	29.9%	35.2%	40.8%	46.6%	52.5%
\$400,000	4.6%	9.6%	14.3%	19.6%	24.8%	30.0%	35.2%	40.8%	46.7%	52.7%

Table 2

Specific Deductible	First Dollar Annual Trend Rates									
	2.0%	4.0%	6.0%	8.0%	10.0%	12.0%	14.0%	16.0%	18.0%	20.0%
\$425,000	4.6%	9.7%	14.6%	19.7%	24.9%	30.0%	35.6%	41.3%	47.1%	52.9%
\$450,000	4.7%	9.7%	14.8%	20.0%	25.2%	30.5%	36.2%	41.9%	47.5%	53.5%
\$475,000	4.7%	10.0%	15.1%	20.2%	25.5%	31.2%	36.8%	42.5%	48.4%	54.6%
\$500,000	4.6%	10.1%	15.2%	20.3%	25.8%	31.4%	37.1%	42.9%	49.1%	55.3%
\$550,000	4.8%	10.3%	15.3%	20.8%	26.1%	31.5%	37.4%	43.5%	49.7%	56.0%
\$600,000	4.9%	10.2%	15.6%	21.0%	26.4%	32.3%	38.1%	44.0%	50.3%	56.8%
\$650,000	4.9%	10.4%	15.8%	21.2%	26.9%	32.6%	38.6%	44.9%	51.1%	57.6%
\$700,000	5.0%	10.6%	15.9%	21.5%	27.1%	33.0%	39.3%	45.5%	52.1%	58.7%
\$750,000	5.1%	10.9%	16.5%	22.3%	28.0%	34.0%	40.1%	46.6%	53.2%	60.1%
\$800,000	5.3%	11.3%	16.9%	22.6%	28.6%	34.9%	41.3%	47.8%	54.5%	61.6%
\$850,000	4.9%	10.7%	16.4%	22.5%	28.5%	34.9%	41.3%	47.8%	54.6%	61.9%
\$900,000	5.0%	10.4%	16.0%	21.6%	27.7%	34.0%	40.7%	47.5%	54.6%	61.6%
\$950,000	4.8%	10.7%	16.1%	21.5%	27.1%	33.5%	39.9%	46.5%	53.5%	61.0%
\$1,000,000	4.8%	10.7%	16.1%	21.4%	27.3%	33.3%	39.3%	45.9%	52.9%	59.8%

**Table 3
Provider Network Discount Adjustment Factors**

Specific Deductible	First Dollar Average Discount from Charges									
	5.0%	10.0%	15.0%	20.0%	25.0%	30.0%	35.0%	40.0%	45.0%	50.0%
\$10,000	7.1%	14.0%	20.9%	27.6%	34.2%	40.6%	46.9%	53.0%	58.8%	64.5%
\$15,000	7.3%	14.5%	21.5%	28.4%	35.1%	41.6%	47.9%	54.1%	60.0%	65.7%
\$20,000	7.5%	14.8%	22.0%	29.0%	35.8%	42.4%	48.9%	55.0%	61.0%	66.6%
\$25,000	7.6%	15.1%	22.4%	29.5%	36.4%	43.1%	49.6%	55.8%	61.7%	67.4%
\$30,000	7.8%	15.4%	22.8%	30.0%	36.9%	43.7%	50.2%	56.4%	62.4%	68.1%
\$35,000	7.9%	15.6%	23.1%	30.3%	37.4%	44.2%	50.8%	57.0%	63.0%	68.7%
\$40,000	8.0%	15.8%	23.3%	30.7%	37.8%	44.7%	51.2%	57.6%	63.6%	69.3%
\$45,000	8.1%	15.9%	23.6%	31.0%	38.2%	45.1%	51.7%	58.1%	64.1%	69.8%
\$50,000	8.2%	16.2%	23.9%	31.4%	38.6%	45.5%	52.2%	58.6%	64.6%	70.4%
\$55,000	8.3%	16.3%	24.1%	31.7%	38.9%	45.9%	52.7%	59.1%	65.2%	70.9%
\$60,000	8.3%	16.5%	24.3%	31.9%	39.3%	46.3%	53.1%	59.5%	65.6%	71.4%
\$65,000	8.4%	16.6%	24.5%	32.2%	39.6%	46.7%	53.5%	60.0%	66.1%	71.8%
\$70,000	8.5%	16.8%	24.8%	32.5%	39.9%	47.1%	54.0%	60.4%	66.5%	72.2%
\$75,000	8.6%	17.0%	25.0%	32.8%	40.3%	47.5%	54.4%	60.9%	67.0%	72.7%
\$80,000	8.7%	17.1%	25.2%	33.1%	40.7%	47.9%	54.7%	61.3%	67.4%	73.1%
\$85,000	8.8%	17.3%	25.5%	33.4%	41.0%	48.2%	55.1%	61.6%	67.8%	73.5%
\$90,000	8.8%	17.4%	25.7%	33.7%	41.3%	48.6%	55.5%	62.0%	68.1%	73.8%
\$95,000	9.0%	17.6%	25.9%	33.9%	41.6%	48.9%	55.8%	62.4%	68.5%	74.2%
\$100,000	9.0%	17.8%	26.1%	34.2%	41.9%	49.2%	56.2%	62.7%	68.8%	74.5%
\$110,000	9.2%	18.0%	26.4%	34.6%	42.4%	49.8%	56.8%	63.3%	69.5%	75.1%
\$120,000	9.3%	18.2%	26.8%	35.0%	42.9%	50.3%	57.4%	63.9%	70.1%	75.7%
\$125,000	9.3%	18.3%	27.0%	35.2%	43.1%	50.6%	57.6%	64.2%	70.4%	76.0%
\$130,000	9.4%	18.4%	27.1%	35.4%	43.4%	50.9%	57.9%	64.6%	70.7%	76.3%
\$140,000	9.5%	18.7%	27.4%	35.8%	43.8%	51.4%	58.5%	65.1%	71.3%	76.9%
\$150,000	9.7%	18.9%	27.8%	36.2%	44.3%	51.9%	59.0%	65.7%	71.8%	77.3%
\$160,000	9.8%	19.1%	28.1%	36.6%	44.7%	52.4%	59.6%	66.2%	72.3%	77.8%
\$170,000	9.9%	19.3%	28.4%	37.0%	45.2%	52.9%	60.1%	66.7%	72.8%	78.2%
\$175,000	9.9%	19.4%	28.5%	37.2%	45.4%	53.1%	60.3%	66.9%	73.0%	78.4%
\$180,000	10.0%	19.5%	28.6%	37.4%	45.6%	53.3%	60.5%	67.1%	73.2%	78.6%
\$190,000	10.1%	19.7%	29.0%	37.8%	46.0%	53.8%	61.0%	67.6%	73.6%	78.9%
\$200,000	10.2%	20.0%	29.3%	38.1%	46.4%	54.2%	61.4%	67.9%	73.9%	79.2%
\$225,000	10.5%	20.5%	29.9%	38.9%	47.3%	55.1%	62.3%	68.8%	74.6%	79.8%
\$250,000	10.7%	20.9%	30.5%	39.6%	48.0%	55.7%	62.9%	69.3%	75.2%	80.4%
\$275,000	10.9%	21.3%	31.0%	40.2%	48.5%	56.3%	63.4%	69.9%	75.7%	80.8%
\$300,000	11.1%	21.5%	31.4%	40.6%	48.9%	56.7%	63.9%	70.4%	76.1%	81.2%
\$325,000	11.3%	21.7%	31.6%	40.8%	49.3%	57.2%	64.3%	70.8%	76.5%	81.5%
\$350,000	11.1%	21.7%	31.6%	41.0%	49.6%	57.5%	64.6%	71.1%	76.8%	81.7%
\$375,000	11.2%	21.9%	32.0%	41.4%	50.0%	57.9%	65.0%	71.5%	77.1%	82.0%
\$400,000	11.4%	22.3%	32.4%	41.8%	50.4%	58.3%	65.4%	71.8%	77.5%	82.3%

Table 3

Specific Deductible	First Dollar Average Discount from Charges									
	5.0%	10.0%	15.0%	20.0%	25.0%	30.0%	35.0%	40.0%	45.0%	50.0%
\$425,000	11.7%	22.6%	32.8%	42.1%	50.7%	58.6%	65.8%	72.2%	77.8%	82.6%
\$450,000	11.9%	22.8%	32.9%	42.4%	51.0%	58.9%	66.1%	72.5%	78.1%	82.9%
\$475,000	11.9%	22.8%	33.0%	42.5%	51.2%	59.2%	66.4%	72.8%	78.3%	83.0%
\$500,000	11.9%	22.9%	33.2%	42.7%	51.4%	59.5%	66.7%	73.1%	78.3%	83.2%
\$550,000	12.0%	23.1%	33.6%	43.2%	52.1%	60.1%	67.3%	73.3%	78.3%	83.7%
\$600,000	12.3%	23.5%	34.0%	43.8%	52.8%	60.8%	67.6%	73.3%	78.7%	84.0%
\$650,000	12.4%	24.0%	34.6%	44.5%	53.3%	61.0%	67.5%	73.2%	79.0%	84.6%
\$700,000	12.8%	24.4%	35.3%	44.9%	53.4%	60.9%	67.4%	73.0%	79.6%	85.1%
\$750,000	12.7%	24.7%	35.2%	44.6%	53.1%	60.7%	67.0%	73.4%	80.0%	85.5%
\$800,000	12.7%	24.2%	34.8%	44.2%	52.8%	60.2%	66.5%	73.8%	80.5%	86.0%
\$850,000	12.6%	24.0%	34.5%	44.1%	52.5%	59.8%	66.7%	74.5%	80.9%	86.5%
\$900,000	12.4%	24.0%	34.5%	44.1%	52.3%	59.8%	67.2%	75.0%	81.6%	87.1%
\$950,000	12.5%	24.1%	34.6%	43.9%	52.5%	59.4%	68.0%	75.7%	82.3%	87.9%
\$1,000,000	12.7%	24.2%	34.6%	44.2%	52.3%	59.9%	68.7%	76.5%	83.1%	88.6%

**Table 4
Contract Type Adjustment**

contract type factors			
incurred-in/ paid-in period	spec deductible <\$50,000	spec deductible >=\$50,000 and <\$150,000	spec deductible >=\$150,000
12/12	0.830	0.761	0.708
12/13	0.892	0.825	0.772
12/14	0.935	0.885	0.832
12/15	0.963	0.929	0.884
12/16	0.973	0.940	0.903
12/17	0.986	0.965	0.944
12/18	0.993	0.980	0.972
12/19	0.997	0.990	0.987
12/20	0.999	0.995	0.995
12/21	0.999	0.998	0.998
12/22	1.000	0.999	0.999
12/23	1.000	1.000	1.000
12/24	1.000	1.000	1.000
13/12	0.847	0.758	0.688
14/12	0.896	0.828	0.759
15/12	0.929	0.879	0.820
16/12	0.948	0.909	0.869
17/12	0.959	0.929	0.904
18/12	0.965	0.943	0.926
19/12	0.968	0.951	0.938
20/12	0.969	0.955	0.945
21/12	0.970	0.957	0.948
22/12	0.970	0.958	0.949
23/12	0.970	0.958	0.949
24/12	0.970	0.958	0.949

**Table 5
Industry Adjustment Factors**

SIC Code	Industry Description	Rate Adjustment Factor
0	National Average	1.000
01	Agricultural Production - Crops	1.075
011	Cash Grains	1.075
0111	Wheat	1.075
0112	Rice	1.075
0115	Corn	1.075
0116	Soybeans	1.075
0119	Cash Grains, Not Elsewhere Classified	1.075
013	Field Crops, Except Cash Grains	1.075
0131	Cotton	1.075
0132	Tobacco	1.075
0133	Sugarcane and Sugar Beets	1.075
0134	Irish Potatoes	1.075
0139	Field Crops, Except Cash Grains, Not Elsewhere Classified	1.075
016	Vegetables and Melons	1.075
0161	Vegetables and Melons	1.075
017	Fruits and Tree Nuts	1.075
0171	Berry Crops	1.075
0172	Grapes	1.075
0173	Tree Nuts	1.075
0174	Citrus Fruits	1.075
0175	Deciduous Tree Fruits	1.075
0179	Fruits and Tree Nuts, Not Elsewhere Classified	1.075
018	Horticultural Specialties	1.075
0181	Ornamental Nursery Products	1.075
0182	Food Crops Grown Under Cover	1.075
019	General Farms, Primarily Crop	1.075
0191	General Farms, Primarily Crop	1.075
02	Agricultural Production - Livestock	1.075
021	Livestock, Except Dairy and Poultry	1.075
0211	Beef Cattle Feedlots	1.075
0212	Beef Cattle, Except Feedlots	1.075
0213	Hogs	1.075
0214	Sheep and Goats	1.075
0219	General Livestock, Not Elsewhere Classified	1.075
024	Dairy Farms	1.075
0241	Dairy Farms	1.075
025	Poultry and Eggs	1.075
0251	Broiler, Fryer, and Roaster Chickens	1.075
0252	Chicken Eggs	1.075
0253	Turkeys and Turkey Eggs	1.075
0254	Poultry Hatcheries	1.075
0259	Poultry and Eggs, Not Elsewhere Classified	1.075
027	Animal Specialties	1.075
0271	Fur-bearing Animals and Rabbits	1.075

SIC Code	Industry Description	Rate Adjustment Factor
0272	Horses and Other Equines	1.075
0273	Animal Aquaculture	1.075
0279	Animal Specialties, Not Elsewhere Classified	1.075
029	General Farms, Primarily Animal	1.075
0291	General Farms, Primarily Animal	1.075
07	Agricultural Services	1.075
071	Soil Preparation Services	1.075
0711	Soil Preparation Services	1.075
072	Crop Services	1.075
0721	Crop Planting and Protecting	1.075
0722	Crop Harvesting	1.075
0723	Crop Preparation Services for Market	1.075
0724	Cotton Ginning	1.075
074	Veterinary Services	1.050
0741	Veterinary Services for Livestock	1.050
0742	Veterinary Services, Specialties	1.050
075	Animal Services, Except Veterinary	1.050
0751	Livestock Services, Except Veterinary	1.050
0752	Animal Specialty Services	1.050
076	Farm Labor and Management Services	1.050
0761	Farm Labor Contractors	1.050
0762	Farm Management Services	1.050
078	Landscape and Horticultural Services	1.050
0781	Landscape Counseling and Planning	1.050
0782	Lawn and Garden Services	1.050
0783	Ornamental Shrub and Tree Services	1.050
08	Forestry	1.075
081	Timber Tracts	1.075
0811	Timber Tracts	1.075
083	Forest Products	1.075
0831	Forest Products	1.075
085	Forestry Services	1.100
0851	Forestry Services	1.100
09	Fishing, Hunting, and Trapping	1.125
091	Commercial Fishing	1.125
0912	Finfish	1.125
0913	Shellfish	1.125
0919	Miscellaneous Marine Products	1.125
092	Fish Hatcheries and Preserves	1.125
0921	Fish Hatcheries and Preserves	1.125
097	Hunting, Trapping, and Game Propagation	1.150
0971	Hunting, Trapping, and Game Propagation	1.150
10	Metal Mining	1.200
101	Iron Ores	1.200
1011	Iron Ores	1.200
102	Copper Ores	1.200
1021	Copper Ores	1.200
103	Lead and Zinc Ores	1.200

SIC Code	Industry Description	Rate Adjustment Factor
1031	Lead and Zinc Ores	1.200
104	Gold and Silver Ores	1.200
1041	Gold Ores	1.200
1044	Silver Ores	1.200
106	Ferroalloy Ores, Except Vanadium	1.200
1061	Ferroalloy Ores, Except Vanadium	1.200
108	Metal Mining Services	1.200
1081	Metal Mining Services	1.200
109	Miscellaneous Metal Ores	1.200
1094	Uranium, Radium, and Vanadium Ores	1.200
1099	Metal Ores, Not Elsewhere Classified	1.200
12	Coal Mining	1.200
122	Bituminous Coal and Lignite Mining	1.200
1221	Bituminous Coal and Lignite - Surface	1.200
1222	Bituminous Coal - Underground	1.200
123	Anthracite Mining	1.200
1231	Anthracite Mining	1.200
124	Coal Mining Services	1.200
1241	Coal Mining Services	1.200
13	Oil and Gas Extraction	1.175
131	Crude Petroleum and Natural Gas	1.175
1311	Crude Petroleum and Natural Gas	1.175
132	Natural Gas Liquids	1.175
1321	Natural Gas Liquids	1.175
138	Oil and Gas Field Services	1.175
1381	Drilling Oil and Gas Wells	1.175
1382	Oil and Gas Exploration Services	1.175
1389	Oil and Gas Field Services, Not Elsewhere Classified	1.175
14	Nonmetallic Minerals, Except Fuels	1.175
141	Dimension Stone	1.175
1411	Dimension Stone	1.175
142	Crushed and Broken Stone	1.175
1422	Crushed and Broken Limestone	1.175
1423	Crushed and Broken Granite	1.175
1429	Crushed and Broken Stone, Not Elsewhere Classified	1.175
144	Sand and Gravel	1.175
1442	Construction Sand and Gravel	1.175
1446	Industrial Sand	1.175
145	Clay, Ceramic, and Refractory Minerals	1.175
1455	Kaolin and Ball Clay	1.175
1459	Clay and Related Minerals, Not Elsewhere Classified	1.175
147	Chemical and Fertilizer Minerals	1.175
1474	Potash, Soda, and Borate Minerals	1.175
1475	Phosphate Rock	1.175
1479	Chemical and Fertilizer Mining, Not Elsewhere Classified	1.175
148	Nonmetallic Minerals Services	1.175
1481	Nonmetallic Minerals Services	1.175
149	Miscellaneous Nonmetallic Minerals	1.175

SIC Code	Industry Description	Rate Adjustment Factor
1499	Miscellaneous Nonmetallic Minerals	1.175
15	General Building Contractors	1.125
152	Residential Building Construction	1.125
1521	Single-family Housing Construction	1.125
1522	Residential Construction, Not Elsewhere Classified	1.125
153	Operative Builders	1.125
1531	Operative Builders	1.125
154	Nonresidential Building Construction	1.125
1541	Industrial Buildings and Warehouses	1.125
1542	Nonresidential Construction, Not Elsewhere Classified	1.125
16	Heavy Construction, Except Building	1.100
161	Highway and Street Construction	1.100
1611	Highway and Street Construction	1.100
162	Heavy Construction, Except Highway	1.100
1622	Bridge, Tunnel, and Elevated Highway	1.100
1623	Water, Sewer, and Utility Lines	1.100
1629	Heavy Construction, Not Elsewhere Classified	1.100
17	Special Trade Contractors	1.050
171	Plumbing, Heating, and Air-conditioning	1.050
1711	Plumbing, Heating, and Air-conditioning	1.050
172	Painting and Paper Hanging	1.050
1721	Painting and Paper Hanging	1.050
173	Electrical Work	1.050
1731	Electrical Work	1.050
174	Masonry, Stonework, and Plastering	1.050
1741	Masonry and Other Stonework	1.050
1742	Plastering, Drywall, and Insulation	1.050
1743	Terrazzo, Tile, Marble, and Mosaic Work	1.050
175	Carpentry and Floor Work	1.050
1751	Carpentry Work	1.050
1752	Floor Laying and Floor Work, Not Elsewhere Classified	1.050
176	Roofing, Siding, and Sheet Metal Work	1.050
1761	Roofing, Siding, and Sheet Metal Work	1.050
177	Concrete Work	1.050
1771	Concrete Work	1.050
178	Water Well Drilling	1.050
1781	Water Well Drilling	1.050
179	Miscellaneous Special Trade Contractors	1.050
1791	Structural Steel Erection	1.050
1793	Glass and Glazing Work	1.050
1794	Excavation Work	1.050
1795	Wrecking and Demolition Work	1.050
1796	Installing Building Equipment, Not Elsewhere Classified	1.050
1799	Special Trade Contractors, Not Elsewhere Classified	1.050
20	Food and Kindred Products	1.050
201	Meat Products	1.150
2011	Meat Packing Plants	1.150
2013	Sausages and Other Prepared Meats	1.150

SIC Code	Industry Description	Rate Adjustment Factor
2015	Poultry Slaughtering and Processing	1.075
202	Dairy Products	1.050
2021	Creamery Butter	1.050
2022	Cheese, Natural and Processed	1.050
2023	Dry, Condensed, and Evaporated Products	1.050
2024	Ice Cream and Frozen Desserts	1.050
2026	Fluid Milk	1.050
203	Preserved Fruits and Vegetables	1.050
2032	Canned Specialties	1.050
2033	Canned Fruits and Vegetables	1.050
2034	Dehydrated Fruits, Vegetables, and Soups	1.050
2035	Pickles, Sauces, and Salad Dressings	1.050
2037	Frozen Fruits and Vegetables	1.050
2038	Frozen Specialties, Not Elsewhere Classified	1.050
204	Grain Mill Products	1.050
2041	Flour and Other Grain Mill Products	1.050
2043	Cereal Breakfast Foods	1.050
2044	Rice Milling	1.050
2045	Prepared Flour Mixes and Doughs	1.050
2046	Wet Corn Milling	1.050
2047	Dog and Cat Food	1.050
2048	Prepared Feeds, Not Elsewhere Classified	1.050
205	Bakery Products	1.050
2051	Bread, Cake, and Related Products	1.050
2052	Cookies and Crackers	1.050
2053	Frozen Bakery Products, Except Bread	1.050
206	Sugar and Confectionery Products	1.050
2061	Raw Cane Sugar	1.050
2062	Cane Sugar Refining	1.050
2063	Beet Sugar	1.050
2064	Candy and Other Confectionery Products	1.050
2066	Chocolate and Cocoa Products	1.050
2067	Chewing Gum	1.050
2068	Salted and Roasted Nuts and Seeds	1.050
207	Fats and Oils	1.050
2074	Cottonseed Oil Mills	1.050
2075	Soybean Oil Mills	1.050
2076	Vegetable Oil Mills, Not Elsewhere Classified	1.050
2077	Animal and Marine Fats and Oils	1.050
2079	Edible Fats and Oils, Not Elsewhere Classified	1.050
208	Beverages	1.000
2082	Malt Beverages	1.000
2083	Malt	1.000
2084	Wines, Brandy, and Brandy Spirits	1.000
2085	Distilled and Blended Liquors	1.000
2086	Bottled and Canned Soft Drinks	1.000
2087	Flavoring Extracts and Syrups, Not Elsewhere Classified	1.000
209	Miscellaneous Food and Kindred Products	1.050

SIC Code	Industry Description	Rate Adjustment Factor
2091	Canned and Cured Fish and Seafoods	1.050
2092	Fresh or Frozen Prepared Fish	1.050
2095	Roasted Coffee	1.050
2096	Potato Chips and Similar Snacks	1.050
2097	Manufactured Ice	1.000
2098	Macaroni and Spaghetti	1.050
2099	Food Preparations, Not Elsewhere Classified	1.050
21	Tobacco Products	1.050
211	Cigarettes	1.050
2111	Cigarettes	1.050
212	Cigars	1.050
2121	Cigars	1.050
213	Chewing and Smoking Tobacco	1.050
2131	Chewing and Smoking Tobacco	1.050
214	Tobacco Stemming and Redrying	1.050
2141	Tobacco Stemming and Redrying	1.050
22	Textile Mill Products	1.025
221	Broadwoven Fabric Mills, Cotton	1.025
2211	Broadwoven Fabric Mills, Cotton	1.025
222	Broadwoven Fabric Mills, Manmade	1.025
2221	Broadwoven Fabric Mills, Manmade	1.025
223	Broadwoven Fabric Mills, Wool	1.025
2231	Broadwoven Fabric Mills, Wool	1.025
224	Narrow Fabric Mills	1.025
2241	Narrow Fabric Mills	1.025
225	Knitting Mills	1.025
2251	Women's Hosiery, Except Socks	1.025
2252	Hosiery, Not Elsewhere Classified	1.025
2253	Knit Outerwear Mills	1.025
2254	Knit Underwear Mills	1.025
2257	Weft Knit Fabric Mills	1.025
2258	Lace and Warp Knit Fabric Mills	1.025
2259	Knitting Mills, Not Elsewhere Classified	1.025
226	Textile Finishing, Except Wool	1.025
2261	Finishing Plants, Cotton	1.025
2262	Finishing Plants, Manmade	1.025
2269	Finishing Plants, Not Elsewhere Classified	1.025
227	Carpets and Rugs	1.025
2273	Carpets and Rugs	1.025
228	Yarn and Thread Mills	1.025
2281	Yarn Spinning Mills	1.025
2282	Throwing and Winding Mills	1.025
2284	Thread Mills	1.025
229	Miscellaneous Textile Goods	1.025
2295	Coated Fabrics, Not Rubberized	1.025
2296	Tire Cord and Fabrics	1.025
2297	Nonwoven Fabrics	1.025
2298	Cordage and Twine	1.025

SIC Code	Industry Description	Rate Adjustment Factor
2299	Textile Goods, Not Elsewhere Classified	1.025
23	Apparel and Other Textile Products	1.000
231	Men's and Boys' Suits and Coats	1.000
2311	Men's and Boys' Suits and Coats	1.000
232	Men's and Boys' Furnishings	1.000
2321	Men's and Boys' Shirts	1.000
2322	Men's and Boys' Underwear and Nightwear	1.000
2323	Men's and Boys' Neckwear	1.000
2325	Men's and Boys' Trousers and Slacks	1.000
2326	Men's and Boys' Work Clothing	1.000
2329	Men's and Boys' Clothing, Not Elsewhere Classified	1.000
233	Women's and Misses' Outerwear	1.000
2331	Women's and Misses' Blouses and Shirts	1.000
2335	Women's, Juniors', and Misses' Dresses	1.000
2337	Women's and Misses' Suits and Coats	1.000
2339	Women's and Misses' Outerwear, Not Elsewhere Classified	1.000
234	Women's and Childrens' Undergarments	1.000
2341	Women's and Childrens' Underwear	1.000
2342	Bras, Girdles, and Allied Garments	1.000
235	Hats, Caps, and Millinery	1.000
2353	Hats, Caps, and Millinery	1.000
236	Girls' and Children's Outerwear	1.000
2361	Girls' and Children's Dresses and Blouses	1.000
2369	Girls' and Children's Outerwear, Not Elsewhere Classified	1.000
237	Fur Goods	1.000
2371	Fur Goods	1.000
238	Miscellaneous Apparel and Accessories	1.000
2381	Fabric Dress and Work Gloves	1.000
2384	Robes and Dressing Gowns	1.000
2385	Waterproof Outerwear	1.000
2386	Leather and Sheep-lined Clothing	1.000
2387	Apparel Belts	1.000
2389	Apparel and Accessories, Not Elsewhere Classified	1.000
239	Miscellaneous Fabricated Textile Products	1.000
2391	Curtains and Draperies	1.000
2392	Housefurnishings, Not Elsewhere Classified	1.000
2393	Textile Bags	1.000
2394	Canvas and Related Products	1.000
2395	Pleating and Stitching	1.000
2396	Automotive and Apparel Trimmings	1.000
2397	Schiffli Machine Embroideries	1.000
2399	Fabricated Textile Products, Not Elsewhere Classified	1.000
24	Lumber and Wood Products	1.025
241	Logging	1.100
2411	Logging	1.100
242	Sawmills and Planing Mills	1.100
2421	Sawmills and Planing Mills, General	1.100
2426	Hardwood Dimension and Flooring Mills	1.100

SIC Code	Industry Description	Rate Adjustment Factor
2429	Special Product Sawmills, Not Elsewhere Classified	1.100
243	Millwork, Plywood, and Structural Members	1.025
2431	Millwork	1.025
2434	Wood Kitchen Cabinets	1.025
2435	Hardwood Veneer and Plywood	1.025
2436	Softwood Veneer and Plywood	1.025
2439	Structural Wood Members, Not Elsewhere Classified	1.025
244	Wood Containers	1.025
2441	Nailed Wood Boxes and Shook	1.025
2448	Wood Pallets and Skids	1.025
2449	Wood Containers, Not Elsewhere Classified	1.025
245	Wood Buildings and Mobile Homes	1.025
2451	Mobile Homes	1.025
2452	Prefabricated Wood Buildings	1.025
249	Miscellaneous Wood Products	1.025
2491	Wood Preserving	1.025
2493	Reconstituted Wood Products	1.025
2499	Wood Products, Not Elsewhere Classified	1.025
25	Furniture and Fixtures	1.025
251	Household Furniture	1.025
2511	Wood Household Furniture	1.025
2512	Upholstered Household Furniture	1.025
2514	Metal and Household Furniture	1.025
2515	Mattresses and Bedsprings	1.025
2517	Wood TV and Radio Cabinets	1.025
2519	Household Furniture, Not Elsewhere Classified	1.025
252	Office Furniture	1.025
2521	Wood Office Furniture	1.025
2522	Office Furniture, Except Wood	1.025
253	Public Building and Related Furniture	1.025
2531	Public Building and Related Furniture	1.025
254	Partitions and Fixtures	1.025
2541	Wood Partitions and Fixtures	1.025
2542	Partitions and Fixtures, Except Wood	1.025
259	Miscellaneous Furniture and Fixtures	1.025
2591	Drapery Hardware, Blinds, and Shades	1.025
2599	Furniture and Fixtures, Not Elsewhere Classified	1.025
26	Paper and Allied Products	1.025
261	Pulp Mills	1.025
2611	Pulp Mills	1.025
262	Paper Mills	1.025
2621	Paper Mills	1.025
263	Paperboard Mills	1.025
2631	Paperboard Mills	1.025
265	Paperboard Containers and Boxes	1.025
2652	Setup Paperboard Boxes	1.025
2653	Corrugated and Solid Fiber Boxes	1.025
2655	Fiber Cans, Drums and Similar Products	1.025

SIC Code	Industry Description	Rate Adjustment Factor
2656	Sanitary Food Containers	1.025
2657	Folding Paperboard Boxes	1.025
267	Miscellaneous Converted Paper Products	1.025
2671	Paper Coated and Laminated, Packaging	1.025
2672	Paper Coated and Laminated, Not Elsewhere Classified	1.025
2673	Bags: Plastics, Laminated, and Coated	1.025
2674	Bags: Uncoated Paper and Multiwall	1.025
2675	Die-cut Paper and Board	1.025
2676	Sanitary Paper Products	1.025
2677	Envelopes	1.025
2678	Stationary Products	1.025
2679	Converted Paper Products, Not Elsewhere Classified	1.025
27	Printing and Publishing	1.025
271	Newspapers	1.025
2711	Newspapers	1.025
272	Periodicals	1.025
2721	Periodicals	1.025
273	Books	1.025
2731	Book Publishing	1.025
2732	Book Printing	1.025
274	Miscellaneous Publishing	1.025
2741	Miscellaneous Publishing	1.025
275	Commercial Printing	1.025
2752	Commercial Printing, Lithographic	1.025
2754	Commercial Printing, Gravure	1.025
2759	Commercial Printing, Not Elsewhere Classified	1.025
276	Manifold Business Forms	1.025
2761	Manifold Business Forms	1.025
277	Greeting Cards	1.025
2771	Greeting Cards	1.025
278	Blankbooks and Bookbinding	1.025
2782	Blankbooks and Looseleaf Binders	1.025
2789	Bookbinding and Related Work	1.025
279	Printing Trade Services	1.025
2791	Typesetting	1.025
2796	Platemaking Services	1.025
28	Chemicals and Allied Products	1.075
281	Industrial Inorganic Chemicals	1.075
2812	Alkalies and Chlorine	1.075
2813	Industrial Gases	1.075
2816	Inorganic Pigments	1.075
2819	Industrial Inorganic Chemicals, Not Elsewhere Classified	1.075
282	Plastics Materials and Synthetics	1.075
2821	Plastics Materials and Resins	1.075
2822	Synthetic Rubber	1.075
2823	Cellulosic Manmade Fibers	1.075
2824	Organic Fibers, Noncellulosic	1.075
283	Drugs	1.075

SIC Code	Industry Description	Rate Adjustment Factor
2833	Medicinals and Botanicals	1.075
2834	Pharmaceutical Preparations	1.075
2835	Diagnostic Substances	1.075
2836	Biological Products Except Diagnostic	1.075
284	Soap, Cleaners, and Toilet Goods	1.075
2841	Soap and Other Detergents	1.075
2842	Polishes and Sanitation Goods	1.075
2843	Surface Active Agents	1.075
2844	Toilet Preparations	1.075
285	Paints and Allied Products	1.075
2851	Paints and Allied Products	1.075
286	Industrial Organic Chemicals	1.075
2861	Gum and Wood Chemicals	1.075
2865	Cyclic Crudes and Intermediaries	1.075
2869	Industrial Organic Chemicals, Not Elsewhere Classified	1.075
287	Agricultural Chemicals	1.075
2873	Nitrogenous Fertilizers	1.075
2874	Phosphatic Fertilizers	1.075
2875	Fertilizers, Mixing Only	1.075
2879	Agricultural Chemicals, Not Elsewhere Classified	1.075
289	Miscellaneous Chemical Products	1.075
2891	Adhesives and Sealants	1.075
2892	Explosives	1.125
2893	Printing Ink	1.075
2895	Carbon Black	1.075
2899	Chemical Preparations, Not Elsewhere Classified	1.075
29	Petroleum and Coal Products	1.000
291	Petroleum Refining	1.000
2911	Petroleum Refining	1.000
295	Asphalt Paving and Roofing Materials	1.000
2951	Asphalt Paving Mixtures and Blocks	1.000
2952	Asphalt Felts and Coatings	1.000
299	Miscellaneous Petroleum and Coal Products	1.000
2992	Lubricating Oils and Greases	1.000
2999	Petroleum and Coal Products, Not Elsewhere Classified	1.000
30	Rubber and Miscellaneous Plastics Products	1.000
301	Tires and Inner Tubes	1.000
3011	Tires and Inner Tubes	1.000
302	Rubber and Plastics Footwear	1.000
3021	Rubber and Plastics Footwear	1.000
305	Hose and Belting and Gaskets and Packing	1.000
3052	Rubber and Plastics Hose and Belting	1.000
3053	Gaskets, Packing and Sealing Devices	1.000
306	Fabricated Rubber Products, Not Elsewhere Classified	1.000
3061	Mechanical Rubber Goods	1.000
3069	Fabricated Rubber Products, Not Elsewhere Classified	1.000
308	Miscellaneous Plastics Products, Not Elsewhere Classified	1.025
3081	Unsupported Plastics Film and Sheet	1.025

SIC Code	Industry Description	Rate Adjustment Factor
3082	Unsupported Plastics Profile Shapes	1.025
3083	Laminated Plastics Plate and Sheet	1.025
3084	Plastics Pipe	1.025
3085	Plastics Bottles	1.025
3086	Plastics Foam Products	1.025
3087	Custom Compound Purchased Resins	1.025
3088	Plastics Plumbing Fixtures	1.025
3089	Plastics Products, Not Elsewhere Classified	1.025
31	Leather and Leather Products	1.000
311	Leather Tanning and Finishing	1.075
3111	Leather Tanning and Finishing	1.075
313	Footwear Cut Stock	1.000
3131	Footwear Cut Stock	1.000
314	Footwear, Except Rubber	1.000
3142	House Slippers	1.000
3143	Men's Footwear, Except Athletic	1.000
3144	Women's Footwear, Except Athletic	1.000
3149	Footwear, Except Rubber, Not Elsewhere Classified	1.000
315	Leather Gloves and Mittens	1.000
3151	Leather Gloves and Mittens	1.000
316	Luggage	1.000
3161	Luggage	1.000
317	Handbags and Personal Leather Goods	1.000
3171	Women's Handbags and Purses	1.000
3172	Personal Leather Goods, Not Elsewhere Classified	1.000
319	Leather Goods, Not Elsewhere Classified	1.000
3199	Leather Goods, Not Elsewhere Classified	1.000
32	Stone, Clay, and Glass Products	1.025
321	Flat Glass	1.025
3211	Flat Glass	1.025
322	Glass and Glassware, Pressed or Blown	1.025
3221	Glass Containers	1.025
3229	Pressed and Blown Glass, Not Elsewhere Classified	1.025
323	Products of Purchased Glass	1.025
3231	Products of Purchased Glass	1.025
324	Cement, Hydraulic	1.025
3241	Cement, Hydraulic	1.025
325	Structural Clay Products	1.025
3251	Brick and Structural Clay Tile	1.025
3253	Ceramic Wall and Floor Tile	1.025
3255	Clay Refractories	1.025
3259	Structural Clay Products, Not Elsewhere Classified	1.025
326	Pottery and Related Products	1.025
3261	Vitreous Plumbing Fixtures	1.025
3262	Vitreous China Table and Kitchenware	1.025
3263	Semivitreous Table and Kitchenware	1.025
3264	Porcelain Electrical Supplies	1.025
3269	Pottery Products, Not Elsewhere Classified	1.025

SIC Code	Industry Description	Rate Adjustment Factor
327	Concrete, Gypsum, and Plaster Products	1.025
3271	Concrete Block and Brick	1.025
3272	Concrete Products, Not Elsewhere Classified	1.025
3273	Ready-mixed Concrete	1.025
3274	Lime	1.025
3275	Gypsum Products	1.025
328	Cut Stone and Stone Products	1.025
3281	Cut Stone and Stone Products	1.025
329	Miscellaneous Nonmetallic Mineral Products	1.100
3291	Abrasive Products	1.100
3292	Asbestos Products	1.150
3295	Minerals, Ground or Treated	1.100
3296	Mineral Wool	1.100
3297	Nonclay Refractories	1.100
3299	Nonmetallic Mineral Products, Not Elsewhere Classified	1.100
33	Primary Metal Industries	1.200
331	Blast Furnace and Basic Steel Products	1.200
3312	Blast Furnaces and Steel Mills	1.200
3313	Electrometallurgical Products	1.200
3315	Steel Wire and Related Products	1.200
3316	Cold Finishing of Steel Shapes	1.200
3317	Steel Pipe and Tubes	1.200
332	Iron and Steel Foundries	1.200
3321	Gray and Ductile Iron Foundries	1.200
3322	Malleable Iron Foundries	1.200
3324	Steel Investment Foundries	1.200
3325	Steel Foundries, Not Elsewhere Classified	1.200
333	Primary Nonferrous Metals	1.200
3331	Primary Copper	1.200
3334	Primary Aluminum	1.200
3339	Primary Nonferrous Metals, Not Elsewhere Classified	1.200
334	Secondary Nonferrous Metals	1.200
3341	Secondary Nonferrous Metals	1.200
335	Nonferrous Rolling and Drawing	1.175
3351	Copper Rolling and Drawing	1.175
3353	Aluminum Sheet, Plate, and Foil	1.175
3354	Aluminum Extruded Products	1.175
3355	Aluminum Rolling and Drawing, Not Elsewhere Classified	1.175
3356	Nonferrous Rolling and Drawing, Not Elsewhere Classified	1.175
3357	Nonferrous Wiredrawing and Insulating	1.175
336	Nonferrous Foundries (Castings)	1.175
3363	Aluminum Die-castings	1.175
3364	Nonferrous Die-casting Except Aluminum	1.175
3365	Aluminum Foundries	1.175
3366	Copper Foundries	1.175
3369	Nonferrous Foundries, Not Elsewhere Classified	1.175
339	Miscellaneous Primary Metal Products	1.200
3398	Metal Heat Treating	1.200

SIC Code	Industry Description	Rate Adjustment Factor
3399	Primary Metal Products, Not Elsewhere Classified	1.200
34	Fabricated Metal Products	1.000
341	Metal Cans and Shipping Containers	1.000
3411	Metal Cans	1.000
3412	Metal Barrels, Drums, and Pails	1.000
342	Cutlery, Handtools, and Hardware	1.000
3421	Cutlery	1.000
3423	Hand and Edge Tools, Not Elsewhere Classified	1.000
3425	Saw Blades and Handsaws	1.000
3429	Hardware, Not Elsewhere Classified	1.000
343	Plumbing and Heating, Except Electric	1.000
3431	Metal Sanitary Ware	1.000
3432	Plumbing Fixture Fittings and Trim	1.000
3433	Heating Equipment, Except Electric	1.000
344	Fabricated Structural Metal Products	1.000
3441	Fabricated Structural Metal	1.000
3442	Metal Doors, Sash, and Trim	1.000
3443	Fabricated Plate Work (Boiler Shops)	1.000
3444	Sheet Metal Work	1.000
3446	Architectural Metal Work	1.000
3448	Prefabricated Metal Buildings	1.000
3449	Miscellaneous Metal Work	1.000
345	Screw Machine Products, Bolts, Etc.	1.000
3451	Screw Machine Products	1.000
3452	Bolts, Nuts, Rivets, and Washers	1.000
346	Metal Forgings and Stampings	1.000
3462	Iron and Steel Forgings	1.000
3463	Nonferrous Forgings	1.000
3465	Automotive Stampings	1.000
3466	Crowns and Closures	1.000
3469	Metal Stampings, Not Elsewhere Classified	1.000
347	Metal Services, Not Elsewhere Classified	1.000
3471	Plating and Polishing	1.000
3479	Metal Coating and Allied Services	1.000
348	Ordnance and Accessories, Not Elsewhere Classified	1.000
3482	Small Arms Ammunition	1.000
3483	Ammunition, Except for Small Arms, Not Elsewhere Classified	1.000
3484	Small Arms	1.000
3489	Ordnance and Accessories, Not Elsewhere Classified	1.000
349	Miscellaneous Fabricated Metal Products	1.000
3491	Industrial Valves	1.000
3492	Fluid Power Valves & Hose Fittings	1.000
3493	Steel Springs, Except Wire	1.000
3494	Valves and Pipe Fittings, Not Elsewhere Classified	1.000
3495	Wire Springs	1.000
3496	Miscellaneous Fabricated Wire Products	1.000
3497	Metal Foil and Leaf	1.000
3498	Fabricated Pipe and Fittings	1.000

SIC Code	Industry Description	Rate Adjustment Factor
3499	Fabricated Metal Products, Not Elsewhere Classified	1.000
35	Industrial Machinery and Equipment	1.000
351	Engines and Turbines	1.000
3511	Turbines and Turbine Generator Sets	1.000
3519	Internal Combustion Engines, Not Elsewhere Classified	1.000
352	Farm and Garden Machinery	1.000
3523	Farm Machinery and Equipment	1.000
3524	Lawn and Garden Equipment	1.000
353	Construction and Related Machinery	1.000
3531	Construction Machinery	1.000
3532	Mining Machinery	1.000
3533	Oil and Gas Field Machinery	1.000
3534	Elevators and Moving Stairways	1.000
3535	Conveyors and Conveying Equipment	1.000
3536	Hoists, Cranes, and Monorails	1.000
3537	Industrial Trucks and Tractors	1.000
354	Metalworking Machinery	1.000
3541	Machine Tools, Metal Cutting Types	1.000
3542	Machine Tools, Metal Forming Types	1.000
3543	Industrial Patterns	1.000
3544	Special Dies, Tools, Jigs & Fixtures	1.000
3545	Machine Tool Accessories	1.000
3546	Power-driven Handtools	1.000
3547	Rolling Mill Machinery	1.000
3548	Welding Apparatus	1.000
3549	Metalworking Machinery, Not Elsewhere Classified	1.000
355	Special Industry Machinery	1.000
3552	Textile Machinery	1.000
3553	Woodworking Machinery	1.000
3554	Paper Industries Machinery	1.000
3555	Printing Trades Machinery	1.000
3556	Food Products Machinery	1.000
3559	Special Industry Machinery, Not Elsewhere Classified	1.000
356	General Industrial Machinery	1.000
3561	Pumps and Pumping Equipment	1.000
3562	Ball and Roller Bearings	1.000
3563	Air and Gas Compressors	1.000
3564	Blowers and Fans	1.000
3565	Packaging Machinery	1.000
3566	Speed Changers, Drives, and Gears	1.000
3567	Industrial Furnaces and Ovens	1.000
3568	Power Transmission Equipment, Not Elsewhere Classified	1.000
3569	General Industrial Machinery, Not Elsewhere Classified	1.000
357	Computer and Office Equipment	1.000
3571	Electronic Computers	1.000
3572	Computer Storage Devices	1.000
3575	Computer Terminals	1.000
3577	Computer Peripheral Equipment, Not Elsewhere Classified	1.000

SIC Code	Industry Description	Rate Adjustment Factor
3578	Calculating and Accounting Equipment	1.000
3579	Office Machines, Not Elsewhere Classified	1.000
358	Refrigeration and Service Machinery	1.000
3581	Automatic Vending Machines	1.000
3582	Commercial Laundry Equipment	1.000
3585	Refrigeration and Heating Equipment	1.000
3586	Measuring and Dispensing Pumps	1.000
3589	Service Industry Machinery, Not Elsewhere Classified	1.000
359	Industrial Machinery, Not Elsewhere Classified	1.000
3592	Carburetors, Pistons, Rings, and Valves	1.000
3593	Fluid Power Cylinders and Actuators	1.000
3594	Fluid Power Pumps and Motors	1.000
3596	Scales and Balances, Except Laboratory	1.000
3599	Industrial Machinery, Not Elsewhere Classified	1.000
36	Electronic and Other Electric Equipment	0.950
361	Electric Distribution Equipment	0.950
3612	Transformers, Except Electronic	0.950
3613	Switchgear and Switchboard Apparatus	0.950
362	Electrical Industrial Apparatus	0.950
3621	Motors and Generators	0.950
3624	Carbon and Graphite Products	0.950
3625	Relays and Industrial Controls	0.950
3629	Electrical Industrial Apparatus, Not Elsewhere Classified	0.950
363	Household Appliances	0.950
3631	Household Cooking Equipment	0.950
3632	Household Refrigerators and Freezers	0.950
3633	Household Laundry Equipment	0.950
3634	Electric Housewares and Fans	0.950
3635	Household Vacuum Cleaners	0.950
3639	Household Appliances, Not Elsewhere Classified	0.950
364	Electric Lighting and Wiring Equipment	0.950
3641	Electric Lamps	0.950
3643	Current-carrying Wiring Devices	0.950
3644	Non-current-carrying Wiring Devices	0.950
3645	Residential Lighting Fixtures	0.950
3646	Commercial Lighting Fixtures	0.950
3647	Vehicular Lighting Equipment	0.950
3648	Lighting Equipment, Not Elsewhere Classified	0.950
365	Household Audio and Video Equipment	0.950
3651	Household Audio and Video Equipment	0.950
3652	Prerecorded Records and Tapes	0.950
366	Communications Equipment	0.950
3661	Telephone and Telegraph Apparatus	0.950
3663	Radio and TV Communications Equipment	0.950
3669	Communications Equipment, Not Elsewhere Classified	0.950
367	Electronic Components and Accessories	0.950
3671	Electron Tubes	0.950
3672	Printed Circuit Boards	0.950

SIC Code	Industry Description	Rate Adjustment Factor
3674	Semiconductors and Related Devices	0.950
3675	Electronic Capacitors	0.950
3676	Electronic Resistors	0.950
3677	Electronic Coils and Transformers	0.950
3678	Electronic Connectors	0.950
3679	Electronic Components, Not Elsewhere Classified	0.950
369	Miscellaneous Electrical Equipment and Supplies	0.950
3691	Storage Batteries	0.950
3692	Primary Batteries, Dry and Wet	0.950
3694	Engine Electrical Equipment	0.950
3695	Magnetic and Optical Recording Media	0.950
3699	Electrical Equipment and Supplies, Not Elsewhere Classified	0.950
37	Transportation Equipment	1.050
371	Motor Vehicles and Equipment	1.050
3711	Motor Vehicles and Car Bodies	1.050
3713	Truck and Bus Bodies	1.050
3714	Motor Vehicle Parts and Accessories	1.050
3715	Truck Trailers	1.050
3716	Motor Homes	1.050
372	Aircraft and Parts	1.050
3721	Aircraft	1.050
3724	Aircraft Engines and Engine Parts	1.050
3728	Aircraft Parts and Equipment, Not Elsewhere Classified	1.050
373	Ship and Boat Building and Repairing	1.050
3731	Ship Building and Repairing	1.050
3732	Boat Building and Repairing	1.050
374	Railroad Equipment	1.050
3743	Railroad Equipment	1.050
375	Motorcycles, Bicycles, and Parts	1.050
3751	Motorcycles, Bicycles, and Parts	1.050
376	Guided Missiles, Space Vehicles, and Parts	1.050
3761	Guided Missiles and Space Vehicles	1.050
3764	Space Propulsion Units and Parts	1.050
3769	Space Vehicle Equipment, Not Elsewhere Classified	1.050
379	Miscellaneous Transportation Equipment	1.050
3792	Travel Trailers and Campers	1.050
3795	Tanks and Tank Components	1.050
3799	Transportation Equipment, Not Elsewhere Classified	1.050
38	Instruments and Related Products	1.000
381	Search and Navigation Equipment	1.000
3812	Search and Navigation Equipment	1.000
382	Measuring and Controlling Devices	1.000
3821	Laboratory Apparatus and Furniture	1.000
3822	Environmental Controls	1.000
3823	Process Control Instruments	1.000
3824	Fluid Meters and Counting Devices	1.000
3825	Instruments to Measure Electricity	1.000
3826	Analytical Instruments	1.000

SIC Code	Industry Description	Rate Adjustment Factor
3827	Optical Instruments and Lenses	1.000
3829	Measuring and Controlling Devices, Not Elsewhere Classified	1.000
384	Medical Instruments and Supplies	1.000
3841	Surgical and Medical Instruments	1.000
3842	Surgical Appliances and Supplies	1.000
3843	Dental Equipment and Supplies	1.000
3844	X-ray Apparatus and Tubes	1.000
3845	Electromedical Equipment	1.000
385	Ophthalmic Goods	1.000
3851	Ophthalmic Goods	1.000
386	Photographic Equipment and Supplies	1.000
3861	Photographic Equipment and Supplies	1.000
387	Watches, Clocks, Watchcases and Parts	1.000
3873	Watches, Clocks, Watchcases and Parts	1.000
39	Miscellaneous Manufacturing Industries	1.000
391	Jewelry, Silverware, and Plated Ware	1.000
3911	Jewelry, Precious Metal	1.000
3914	Silverware and Plated Ware	1.000
3915	Jewelers' Materials and Lapidary Work	1.000
393	Musical Instruments	1.000
3931	Musical Instruments	1.000
394	Toys and Sporting Goods	1.000
3942	Dolls and Stuffed Toys	1.000
3944	Games, Toys, and Children's Vehicles	1.000
3949	Sporting and Athletic Goods, Not Elsewhere Classified	1.000
395	Pens, Pencils, Office, and Art Supplies	1.000
3951	Pens and Mechanical Pencils	1.000
3952	Lead Pencils and Art Goods	1.000
3953	Marking Devices	1.000
3955	Carbon Paper and Inked Ribbons	1.000
396	Costume Jewelry and Notions	1.000
3961	Costume Jewelry	1.000
3965	Fasteners, Buttons, Needles, and Pins	1.000
399	Miscellaneous Manufactures	1.000
3991	Brooms and Brushes	1.000
3993	Signs and Advertising Specialties	1.000
3995	Burial Caskets	1.000
3996	Hard Surface Floor Coverings, Not Elsewhere Classified	1.000
3999	Manufacturing Industries, Not Elsewhere Classified	1.000
40	Railroad Transportation	1.125
401	Railroads	1.125
4011	Railroads, Line-haul Operating	1.125
4013	Switching and Terminal Services	1.125
41	Local and Interurban Passenger Transit	1.125
411	Local and Suburban Transportation	1.125
4111	Local and Suburban Transit	1.125
4119	Local Passenger Transportation, Not Elsewhere Classified	1.125
412	Taxicabs	1.125

SIC Code	Industry Description	Rate Adjustment Factor
4121	Taxicabs	1.125
413	Intercity and Rural Bus Transportation	1.125
4131	Intercity and Rural Bus Transportation	1.125
414	Bus Charter Service	1.125
4141	Local Bus Charter Service	1.125
4142	Bus Charter Service, Except Local	1.125
415	School Buses	1.125
4151	School Buses	1.125
417	Bus Terminal and Service Facilities	1.125
4173	Bus Terminal and Service Facilities	1.125
42	Trucking and Warehousing	1.050
421	Trucking and Courier Services, Except Air	1.125
4212	Local Trucking, without Storage	1.125
4213	Trucking, Except Local	1.125
4214	Local Trucking, with Storage	1.125
4215	Courier Services, Except by Air	1.125
422	Public Warehousing and Storage	1.050
4221	Farm Product Warehousing and Storage	1.050
4222	Refrigerated Warehousing and Storage	1.050
4225	General Warehousing and Storage	1.050
4226	Special Warehousing and Storage, Not Elsewhere Classified	1.050
423	Trucking and Terminal Facilities	1.050
4231	Trucking and Terminal Facilities	1.050
43	U.S. Postal Service	1.075
431	U.S. Postal Service	1.075
4311	U.S. Postal Service	1.075
44	Water Transportation	1.100
441	Deep Sea Foreign Transport of Freight	1.100
4412	Deep Sea Foreign Transport of Freight	1.100
442	Deep Sea Domestic Transport of Freight	1.100
4424	Deep Sea Domestic Transport of Freight	1.100
443	Freight Transport on the Great Lakes	1.100
4432	Freight Transport on the Great Lakes	1.100
444	Water Transportation of Freight, Not Elsewhere Classified	1.100
4449	Water Transportation of Freight, Not Elsewhere Classified	1.100
448	Water Transportation of Passengers	1.100
4481	Deep Sea Passenger Transport, Except Ferry	1.100
4482	Ferries	1.100
4489	Water Passenger Transportation, Not Elsewhere Classified	1.125
449	Water Transportation Services	1.125
4491	Marine Cargo Handling	1.125
4492	Towing and Tugboat Service	1.125
4493	Marinas	1.125
4499	Water Transportation Services, Not Elsewhere Classified	1.125
45	Transportation by Air	1.125
451	Air Transportation, Scheduled	1.050
4512	Air Transportation, Scheduled	1.050
4513	Air Courier Services	1.050

SIC Code	Industry Description	Rate Adjustment Factor
452	Air Transportation, Nonscheduled	1.100
4522	Air Transportation, Nonscheduled	1.100
458	Airports, Flying Fields, and Services	1.125
4581	Airports, Flying Fields, and Services	1.125
46	Pipelines, Except Natural Gas	1.100
461	Pipelines, Except Natural Gas	1.100
4612	Crude Petroleum Pipelines	1.100
4613	Refined Petroleum Pipelines	1.100
4619	Pipelines, Not Elsewhere Classified	1.100
47	Transportation Services	1.025
472	Passenger Transportation Arrangement	1.025
4724	Travel Agencies	1.025
4725	Tour Operators	1.025
4729	Passenger Transport Arrangement, Not Elsewhere Classified	1.025
473	Freight Transportation Arrangement	1.025
4731	Freight Transportation Arrangement	1.025
474	Rental of Railroad Cars	1.025
4741	Rental of Railroad Cars	1.025
478	Miscellaneous Transportation Services	1.025
4783	Packing and Crating	1.025
4785	Inspection and Fixed Facilities	1.025
4789	Transportation Services, Not Elsewhere Classified	1.025
48	Communications	0.950
481	Telephone Communications	0.950
4812	Radiotelephone Communications	0.950
4813	Telephone Communications, Except Radio	0.950
482	Telegraph and Other Communications	0.950
4822	Telegraph and Other Communications	0.950
483	Radio and Television Broadcasting	0.950
4832	Radio Broadcasting Stations	0.950
4833	Television Broadcasting Stations	0.950
484	Cable and Other Pay TV Services	0.950
4841	Cable and Other Pay TV Services	0.950
489	Communications Services, Not Elsewhere Classified	0.950
4899	Communications Services, Not Elsewhere Classified	0.950
49	Electric, Gas, and Sanitary Services	1.025
491	Electric Services	1.000
4911	Electric Services	1.000
492	Gas Production and Distribution	1.000
4922	Natural Gas Transmission	1.000
4923	Gas Transmission and Distribution	1.000
4924	Natural Gas Distribution	1.000
4925	Gas Production and/or Distribution	1.000
493	Combination Utility Services	1.025
4931	Electric and Other Services Combined	1.025
4932	Gas and Other Services Combined	1.025
4939	Combination Utilities, Not Elsewhere Classified	1.025
494	Water Supply	1.025

SIC Code	Industry Description	Rate Adjustment Factor
4941	Water Supply	1.025
495	Sanitary Services	1.100
4952	Sewerage Systems	1.100
4953	Refuse Systems	1.100
4959	Sanitary Services, Not Elsewhere Classified	1.100
496	Steam and Air-conditioning Supply	1.025
4961	Steam and Air-conditioning Supply	1.025
497	Irrigation Systems	1.025
4971	Irrigation Systems	1.025
50	Wholesale Trade - Durable Goods	1.000
501	Motor Vehicles, Parts, and Supplies	1.000
5012	Automobiles and Other Motor Vehicles	1.000
5013	Motor Vehicle Supplies and New Parts	1.000
5014	Tires and Tubes	1.000
5015	Motor Vehicle Parts, Used	1.000
502	Furniture and Homefurnishings	1.000
5021	Furniture	1.000
5023	Homefurnishings	1.000
503	Lumber and Construction Materials	1.000
5031	Lumber, Plywood, and Millwork	1.000
5032	Brick, Stone, and Related Materials	1.000
5033	Roofing, Siding, and Insulation	1.000
5039	Construction Materials, Not Elsewhere Classified	1.000
504	Professional and Commercial Equipment	1.000
5043	Photographic Equipment and Supplies	1.000
5044	Office Equipment	1.000
5045	Computers, Peripherals, and Software	1.000
5046	Commercial Equipment, Not Elsewhere Classified	1.000
5047	Medical and Hospital Equipment	1.000
5048	Ophthalmic Goods	1.000
5049	Professional Equipment, Not Elsewhere Classified	1.000
505	Metals and Minerals, Except Petroleum	1.000
5051	Metals Service Centers and Offices	1.000
5052	Coal and Other Minerals and Ores	1.000
506	Electrical Goods	1.000
5063	Electrical Apparatus and Equipment	1.000
5064	Electrical Appliances, TV and Radios	1.000
5065	Electronic Parts and Equipment	1.000
507	Hardware, Plumbing, and Heating Equipment	1.000
5072	Hardware	1.000
5074	Plumbing and Hydronic Heating Supplies	1.000
5075	Warm Air Heating and Air-conditioning	1.000
5078	Refrigeration Equipment and Supplies	1.000
508	Machinery, Equipment and Supplies	1.000
5082	Construction and Mining Machinery	1.000
5083	Farm and Garden Machinery	1.000
5084	Industrial Machinery and Equipment	1.000
5085	Industrial Supplies	1.000

SIC Code	Industry Description	Rate Adjustment Factor
5087	Service Establishment Equipment	1.000
5088	Transportation Equipment and Supplies	1.000
509	Miscellaneous Durable Goods	1.000
5091	Sporting and Recreational Goods	1.000
5092	Toys and Hobby Goods and Supplies	1.000
5093	Scrap and Waste Materials	1.075
5094	Jewelry and Precious Stones	1.000
5099	Durable Goods, Not Elsewhere Classified	1.000
51	Wholesale Trade - Nondurable Goods	1.000
511	Paper and Paper Products	1.000
5111	Printing and Writing Paper	1.000
5112	Stationery and Office Supplies	1.000
5113	Industrial and Personal Service Paper	1.000
512	Drugs, Proprietarys, and Sundries	1.000
5122	Drugs, Proprietarys, and Sundries	1.000
513	Apparel, Piece Goods, and Notions	1.000
5131	Piece Goods and Notions	1.000
5136	Men's and Boys' Clothing	1.000
5137	Women's and Children's Clothing	1.000
5139	Footwear	1.000
514	Groceries and Related Products	1.000
5141	Groceries, General Line	1.000
5142	Packaged Frozen Foods	1.000
5143	Dairy Products, Except Dried or Canned	1.000
5144	Poultry and Poultry Products	1.000
5145	Confectionery	1.000
5146	Fish and Seafoods	1.000
5147	Meats and Meat Products	1.000
5148	Fresh Fruits and Vegetables	1.000
5149	Groceries and Related Products, Not Elsewhere Classified	1.000
515	Farm-product Raw Materials	1.000
5153	Grain and Field Beans	1.000
5154	Livestock	1.000
5159	Farm-product Raw Materials, Not Elsewhere Classified	1.000
516	Chemicals and Allied Products	1.000
5162	Plastics Materials and Basic Shapes	1.000
5169	Chemicals and Allied Products, Not Elsewhere Classified	1.000
517	Petroleum and Petroleum Products	1.000
5171	Petroleum Bulk Stations and Terminals	1.000
5172	Petroleum Products, Not Elsewhere Classified	1.000
518	Beer, Wine, and Distilled Beverages	1.075
5181	Beer and Ale	1.075
5182	Wine and Distilled Beverages	1.075
519	Miscellaneous Nondurable Goods	1.000
5191	Farm Supplies	1.000
5192	Books, Periodicals, and Newspapers	1.000
5193	Flowers and Florists' Supplies	1.000
5194	Tobacco and Tobacco Products	1.025

SIC Code	Industry Description	Rate Adjustment Factor
5198	Paints, Varnishes, and Supplies	1.000
5199	Nondurable Goods, Not Elsewhere Classified	1.000
52	Building Materials and Garden Supplies	1.000
521	Lumber and Other Building Materials	1.000
5211	Lumber and Other Building Materials	1.000
523	Paint, Glass, and Wallpaper Stores	1.000
5231	Paint, Glass, and Wallpaper Stores	1.000
525	Hardware Stores	1.000
5251	Hardware Stores	1.000
526	Retail Nurseries and Garden Stores	1.000
5261	Retail Nurseries and Garden Stores	1.000
527	Mobile Home Dealers	1.000
5271	Mobile Home Dealers	1.000
53	General Merchandise Stores	1.000
531	Department Stores	1.000
5311	Department Stores	1.000
533	Variety Stores	1.000
5331	Variety Stores	1.000
539	Miscellaneous General Merchandise Stores	1.000
5399	Miscellaneous General Merchandise Stores	1.000
54	Food Stores	1.000
541	Grocery Stores	1.000
5411	Grocery Stores	1.000
542	Meat and Fish Markets	1.000
5421	Meat and Fish Markets	1.000
543	Fruit and Vegetable Markets	1.000
5431	Fruit and Vegetable Markets	1.000
544	Candy, Nut, and Confectionery Stores	1.000
5441	Candy, Nut, and Confectionery Stores	1.000
545	Dairy Products Stores	1.000
5451	Dairy Products Stores	1.000
546	Retail Bakeries	1.000
5461	Retail Bakeries	1.000
549	Miscellaneous Food Stores	1.000
5499	Miscellaneous Food Stores	1.000
55	Automotive Dealers and Service Stations	1.175
551	New and Used Car Dealers	1.175
5511	New and Used Car Dealers	1.175
552	Used Car Dealers	1.175
5521	Used Car Dealers	1.175
553	Auto and Home Supply Stores	1.150
5531	Auto and Home Supply Stores	1.150
554	Gasoline Service Stations	1.175
5541	Gasoline Service Stations	1.175
555	Boat Dealers	1.175
5551	Boat Dealers	1.175
556	Recreational Vehicle Dealers	1.175
5561	Recreational Vehicle Dealers	1.175

SIC Code	Industry Description	Rate Adjustment Factor
557	Motorcycle Dealers	1.175
5571	Motorcycle Dealers	1.175
559	Automotive Dealers, Not Elsewhere Classified	1.175
5599	Automotive Dealers, Not Elsewhere Classified	1.175
56	Apparel and Accessory Stores	1.000
561	Men's and Boys' Clothing Stores	1.000
5611	Men's and Boys' Clothing Stores	1.000
562	Women's Clothing Stores	1.000
5621	Women's Clothing Stores	1.000
563	Women's Accessory and Specialty Stores	1.000
5632	Women's Accessory and Specialty Stores	1.000
564	Children's and Infants' Wear Stores	1.000
5641	Children's and Infants' Wear Stores	1.000
565	Family Clothing Stores	1.000
5651	Family Clothing Stores	1.000
566	Shoe Stores	1.000
5661	Shoe Stores	1.000
569	Miscellaneous Apparel and Accessory Stores	1.000
5699	Miscellaneous Apparel and Accessory Stores	1.000
57	Furniture and Homefurnishings Stores	0.950
571	Furniture and Homefurnishings Stores	0.950
5712	Furniture Stores	0.950
5713	Floor Covering Stores	0.950
5714	Drapery and Upholstery Stores	0.950
5719	Miscellaneous Homefurnishings Stores	0.950
572	Household Appliance Stores	0.950
5722	Household Appliance Stores	0.950
573	Radio, Television, and Computer Stores	0.950
5731	Radio, Television, and Electronic Stores	0.950
5734	Computer and Software Stores	0.950
5735	Record and Prerecorded Tape Stores	0.950
5736	Musical Instrument Stores	0.950
58	Eating and Drinking Places	1.150
581	Eating and Drinking Places	1.150
5812	Eating Places	1.150
5813	Drinking Places	1.150
59	Miscellaneous Retail	1.075
591	Drug Stores and Proprietary Stores	1.000
5912	Drug Stores and Proprietary Stores	1.000
592	Liquor Stores	1.075
5921	Liquor Stores	1.075
593	Used Merchandise Stores	1.000
5932	Used Merchandise Stores	1.000
594	Miscellaneous Shopping Goods Stores	1.000
5941	Sporting Goods and Bicycle Shops	1.000
5942	Book Stores	1.000
5943	Stationery Stores	1.000
5944	Jewelry Stores	1.000

SIC Code	Industry Description	Rate Adjustment Factor
5945	Hobby, Toy, and Game Shops	1.000
5946	Camera and Photographic Supply Stores	1.000
5947	Gift, Novelty, and Souvenir Shops	1.000
5948	Luggage and Leather Goods Stores	1.000
5949	Sewing, Needlework, and Piece Goods	1.000
596	Nonstore Retailers	1.000
5961	Catalog and Mail-order Houses	1.000
5962	Merchandising Machine Operators	1.000
5963	Direct Selling Establishments	1.000
598	Fuel Dealers	1.025
5983	Fuel Oil Dealers	1.025
5984	Liquefied Petroleum Gas Dealers	1.025
5989	Fuel Dealers, Not Elsewhere Classified	1.025
599	Retail Stores, Not Elsewhere Classified	1.000
5992	Florists	1.000
5993	Tobacco Stores and Stands	1.000
5994	News Dealers and Newsstands	1.000
5995	Optical Goods Stores	1.000
5999	Miscellaneous Retail Stores, Not Elsewhere Classified	1.000
60	Depository Institutions	0.900
601	Central Reserve Depositories	0.900
6011	Federal Reserve Banks	0.900
6019	Central Reserve Depository, Not Elsewhere Classified	0.900
602	Commercial Banks	0.900
6021	National Commercial Banks	0.900
6022	State Commercial Banks	0.900
6029	Commercial Banks, Not Elsewhere Classified	0.900
603	Savings Institutions	0.900
6035	Federal Savings Institutions	0.900
6036	Savings Institutions, Except Federal	0.900
606	Credit Unions	0.900
6061	Federal Credit Unions	0.900
6062	State Credit Unions	0.900
608	Foreign Bank and Branches and Agencies	0.900
6081	Foreign Bank and Branches and Agencies	0.900
6082	Foreign Trade and International Banks	0.900
609	Functions Closely Related to Banking	0.900
6091	Nondeposit Trust Facilities	0.900
6099	Functions Related to Deposit Banking	0.900
61	Nondepository Institutions	0.925
611	Federal and Federally Sponsored Credit	0.925
6111	Federal and Federally Sponsored Credit	0.925
614	Personal Credit Institutions	0.925
6141	Personal Credit Institutions	0.925
615	Business Credit Institutions	0.925
6153	Short-term Business Credit	0.925
6159	Miscellaneous Business Credit Institutions	0.925
616	Mortgage Bankers and Brokers	0.925

SIC Code	Industry Description	Rate Adjustment Factor
6162	Mortgage Bankers and Correspondents	0.925
6163	Loan Brokers	0.925
62	Security and Commodity Brokers	0.975
621	Security Brokers and Dealers	0.975
6211	Security Brokers and Dealers	0.975
622	Commodity Contracts Brokers, Dealers	0.975
6221	Commodity Contracts Brokers, Dealers	0.975
623	Security and Commodity Exchanges	0.975
6231	Security and Commodity Exchanges	0.975
628	Security and Commodity Services	0.975
6282	Investment Advice	0.975
6289	Security and Commodity Services, Not Elsewhere Classified	0.975
63	Insurance Carriers	0.975
631	Life Insurance	0.975
6311	Life Insurance	0.975
632	Medical Service and Health Insurance	0.975
6321	Accident and Health Insurance	0.975
6324	Hospital and Medical Service Plans	0.975
633	Fire, Marine, and Casualty Insurance	0.975
6331	Fire, Marine, and Casualty Insurance	0.975
635	Surety Insurance	0.975
6351	Surety Insurance	0.975
636	Title Insurance	0.975
6361	Title Insurance	0.975
637	Pension, Health, and Welfare Funds	0.975
6371	Pension, Health, and Welfare Funds	0.975
639	Insurance Carriers, Not Elsewhere Classified	0.975
6399	Insurance Carriers, Not Elsewhere Classified	0.975
64	Insurance Agents, Brokers, and Service	1.025
641	Insurance Agents, Brokers, and Service	1.025
6411	Insurance Agents, Brokers, and Service	1.025
65	Real Estate	1.000
651	Real Estate Operators and Lessors	1.000
6512	Nonresidential Building Operators	1.000
6513	Apartment Building Operators	1.000
6514	Dwelling Operators, Except Apartments	1.000
6515	Mobile Home Site Operators	1.000
6517	Railroad Property Lessors	1.000
6519	Real Property Lessors, Not Elsewhere Classified	1.000
653	Real Estate Agents and Managers	1.000
6531	Real Estate Agents and Managers	1.000
654	Title Abstract Offices	1.000
6541	Title Abstract Offices	1.000
655	Subdividers and Developers	1.000
6552	Subdividers and Developers, Not Elsewhere Classified	1.000
6553	Cemetery Subdividers and Developers	1.000
67	Holding and Other Investment Offices	0.975
671	Holding Offices	0.975

SIC Code	Industry Description	Rate Adjustment Factor
6712	Bank Holding Companies	0.975
6719	Holding Companies, Not Elsewhere Classified	0.975
672	Investment Offices	0.975
6722	Management Investment, Open-end	0.975
6726	Investment Offices, Not Elsewhere Classified	0.975
673	Trusts	0.975
6732	Educational, Religious, Etc. Trusts	0.975
6733	Trusts, Not Elsewhere Classified	0.975
679	Miscellaneous Investing	0.975
6792	Oil Royalty Traders	0.975
6794	Patent Owners and Lessors	0.975
6798	Real Estate Investment Trusts	0.975
6799	Investors, Not Elsewhere Classified	0.975
70	Hotels and Other Lodging Places	1.125
701	Hotels and Motels	1.125
7011	Hotels and Motels	1.125
702	Rooming and Boarding Houses	1.125
7021	Rooming and Boarding Houses	1.125
703	Camps and Recreational Vehicle Parks	1.125
7032	Sporting and Recreational Camps	1.125
7033	Trailer Parks and Campsites	1.125
704	Membership-basis Organization Hotels	1.125
7041	Membership-basis Organization Hotels	1.125
72	Personal Services	1.050
721	Laundry, Cleaning and Garment Services	1.025
7211	Power Laundries, Family and Commercial	1.025
7212	Garment Pressing and Cleaners' Agents	1.025
7213	Linen Supply	1.025
7215	Coin-operated Laundries and Cleaning	1.025
7216	Drycleaning Plants, Except Rug	1.025
7217	Carpet and Upholstery Cleaning	1.025
7218	Industrial Launderers	1.025
7219	Laundry and Garment Services, Not Elsewhere Classified	1.025
722	Photographic Studios, Portrait	1.025
7221	Photographic Studios, Portrait	1.025
723	Beauty Shops	1.050
7231	Beauty Shops	1.050
724	Barber Shops	1.025
7241	Barber Shops	1.025
725	Shoe Repair and Shoeshine Parlors	1.050
7251	Shoe Repair and Shoeshine Parlors	1.050
726	Funeral Service and Crematories	1.025
7261	Funeral Service and Crematories	1.025
729	Miscellaneous Personal Services	1.025
7291	Tax Return Preparation	1.025
7299	Miscellaneous Personal Services, Not Elsewhere Classified	1.025
73	Business Services	1.000
731	Advertising	1.000

SIC Code	Industry Description	Rate Adjustment Factor
7311	Advertising Agencies	1.000
7312	Outdoor Advertising Services	1.000
7313	Radio, TV, Publisher Representatives	1.000
7319	Advertising, Not Elsewhere Classified	1.000
732	Credit Reporting and Collection	1.000
7322	Adjustment and Collection Services	1.000
7323	Credit Reporting Services	1.000
733	Mailing, Reproduction, Stenographic	1.000
7331	Direct Mail Advertising Services	1.000
7334	Photocopying and Duplicating Services	1.000
7335	Commercial Photography	1.000
7336	Commercial Art and Graphic Design	1.000
7338	Secretarial and Court Reporting	1.000
734	Services to Buildings	1.075
7342	Disinfecting and Pest Control Services	1.075
7349	Building Maintenance Services, Not Elsewhere Classified	1.075
735	Miscellaneous Equipment Rental and Leasing	1.000
7352	Medical Equipment Rental	1.000
7353	Heavy Construction Equipment Rental	1.000
7359	Equipment Rental and Leasing, Not Elsewhere Classified	1.000
736	Personnel Supply Services	1.000
7361	Employment Agencies	1.000
7363	Help Supply Services	1.000
737	Computer and Data Processing Services	1.000
7371	Computer Programming Services	1.000
7372	Prepackaged Software	1.000
7373	Computer Integrated Systems Design	1.000
7374	Data Processing and Preparation	1.000
7375	Information Retrieval Services	1.000
7376	Computer Facilities Management	1.000
7377	Computer Rental and Leasing	1.000
7378	Computer Maintenance and Repair	1.000
7379	Computer Related Services, Not Elsewhere Classified	1.000
738	Miscellaneous Business Services	1.000
7381	Detective and Armored Care Services	1.025
7382	Security Systems Services	1.000
7383	News Syndicates	1.000
7384	Photofinishing Laboratories	1.000
7389	Business Services, Not Elsewhere Classified	1.000
75	Auto Repair, Services, and Parking	1.075
751	Automotive Rentals, No Drivers	1.075
7513	Truck Rental and Leasing, No Drivers	1.075
7514	Passenger Car Rental	1.075
7515	Passenger Car Leasing	1.075
7519	Utility Trailer Rental	1.075
752	Automobile Parking	1.125
7521	Automobile Parking	1.125
753	Automotive Repair Shops	1.075

SIC Code	Industry Description	Rate Adjustment Factor
7532	Top and Body Repair and Paint Shops	1.075
7533	Auto Exhaust System Repair Shops	1.075
7534	Tire Retreading and Repair Shops	1.075
7536	Automotive Glass Replacement Shops	1.075
7537	Automotive Transmission Repair Shops	1.075
7538	General Automotive Repair Shops	1.075
7539	Automotive Repair Shops, Not Elsewhere Classified	1.075
754	Automotive Services, Except Repair	1.075
7542	Carwashes	1.075
7549	Automotive Services, Not Elsewhere Classified	1.075
76	Miscellaneous Repair Services	1.000
762	Electrical Repair Shops	1.000
7622	Radio and Television Repair	1.000
7623	Refrigeration Service and Repair	1.000
7629	Electrical Repair Shops, Not Elsewhere Classified	1.000
763	Watch, Clock, and Jewelry Repair	1.000
7631	Watch, Clock, and Jewelry Repair	1.000
764	Reupholstery and Furniture Repair	1.000
7641	Reupholstery and Furniture Repair	1.000
769	Miscellaneous Repair Shops	1.000
7692	Welding Repair	1.000
7694	Armature Rewinding Shops	1.000
7699	Repair Services, Not Elsewhere Classified	1.000
78	Motion Pictures	1.025
781	Motion Picture Production and Services	1.025
7812	Motion Picture and Video Production	1.025
7819	Services Allied to Motion Pictures	1.025
782	Motion Picture Distribution and Services	1.025
7822	Motion Picture and Tape Distribution	1.025
7829	Motion Picture Distribution Services	1.025
783	Motion Picture Theaters	1.025
7832	Motion Picture Theaters, Except Drive-in	1.025
7833	Drive-in Motion Picture Theaters	1.025
784	Video Tape Rental	1.025
7841	Video Tape Rental	1.025
79	Amusement and Recreation Services	1.100
791	Dance Studios, Schools, and Halls	1.050
7911	Dance Studios, Schools, and Halls	1.050
792	Producers, Orchestras, Entertainers	1.050
7922	Theatrical Producers and Services	1.050
7929	Entertainers and Entertainment Groups	1.050
793	Bowling Centers	1.050
7933	Bowling Centers	1.050
794	Commercial Sports	1.100
7941	Sports Clubs, Managers, and Promoters	1.100
7948	Racing, Including Track Operation	1.100
799	Miscellaneous Amusement, Recreation Services	1.100
7991	Physical Fitness Facilities	1.050

SIC Code	Industry Description	Rate Adjustment Factor
7992	Public Golf Courses	1.050
7993	Coin-operated Amusement Devices	1.050
7996	Amusement Parks	1.050
7997	Membership Sports and Recreation Clubs	1.100
7999	Amusement and Recreation, Not Elsewhere Classified	1.050
80	Health Services	1.125
801	Offices and Clinics of Medical Doctors	1.125
8011	Offices and Clinics of Medical Doctors	1.125
802	Offices and Clinics of Dentists	1.125
8021	Offices and Clinics of Dentists	1.125
803	Offices of Osteopathic Physicians	1.125
8031	Offices of Osteopathic Physicians	1.125
804	Offices of Other Health Practitioners	1.125
8041	Offices and Clinics of Chiropractors	1.125
8042	Offices and Clinics of Optometrists	1.125
8043	Offices and Clinics Podiatrists	1.125
8049	Offices of Health Practitioners, Not Elsewhere Classified	1.125
805	Nursing and Personal Care Facilities	1.125
8051	Skilled Nursing Care Facilities	1.125
8052	Intermediate Care Facilities	1.125
8059	Nursing and Personal Care, Not Elsewhere Classified	1.125
806	Hospitals	1.150
8062	General Medical and Surgical Hospitals	1.150
8063	Psychiatric Hospitals	1.150
8069	Specialty Hospitals Except Psychiatric	1.150
807	Medical and Dental Laboratories	1.125
8071	Medical Laboratories	1.125
8072	Dental Laboratories	1.125
808	Home Health Care Services	1.125
8082	Home Health Care Services	1.125
809	Health and Allied Services, Not Elsewhere Classified	1.125
8092	Kidney Dialysis Centers	1.125
8093	Specialty Outpatient Clinics, Not Elsewhere Classified	1.125
8099	Health and Allied Services, Not Elsewhere Classified	1.125
81	Legal Services	1.150
811	Legal Services	1.150
8111	Legal Services	1.150
82	Educational Services	1.125
821	Elementary and Secondary Schools	1.125
8211	Elementary and Secondary Schools	1.125
822	Colleges and Universities	1.125
8221	Colleges and Universities	1.125
8222	Junior Colleges	1.125
823	Libraries	1.125
8231	Libraries	1.125
824	Vocational Schools	1.125
8243	Data Processing Schools	1.125
8244	Business and Secretarial Schools	1.125

SIC Code	Industry Description	Rate Adjustment Factor
8249	Vocational Schools, Not Elsewhere Classified	1.125
829	Schools and Educational Services, Not Elsewhere Classified	1.125
8299	Schools and Educational Services, Not Elsewhere Classified	1.125
83	Social Services	1.100
832	Individual and Family Services	1.100
8322	Individual and Family Services	1.100
833	Job Training and Related Services	1.100
8331	Job Training and Related Services	1.100
835	Child Day Care Services	1.100
8351	Child Day Care Services	1.100
836	Residential Care	1.100
8361	Residential Care	1.100
839	Social Services, Not Elsewhere Classified	1.100
8399	Social Services, Not Elsewhere Classified	1.100
84	Museums, Botanical, Zoological Gardens	1.000
841	Museums and Art Galleries	1.000
8412	Museums and Art Galleries	1.000
842	Botanical and Zoological Gardens	1.000
8422	Botanical and Zoological Gardens	1.000
86	Membership Organizations	1.050
861	Membership Associations	1.050
8611	Business Associations	1.050
862	Professional Organizations	1.050
8621	Professional Organizations	1.050
863	Labor Organizations	1.050
8631	Labor Organizations	1.050
864	Civic and Social Associations	1.050
8641	Civic and Social Associations	1.050
865	Political Organizations	1.050
8651	Political Organizations	1.050
866	Religious Organizations	1.075
8661	Religious Organizations	1.075
869	Membership Organizations, Not Elsewhere Classified	1.050
8699	Membership Organizations, Not Elsewhere Classified	1.050
87	Engineering and Management Services	0.975
871	Engineering and Architectural Services	0.975
8711	Engineering Services	1.000
8712	Architectural Services	0.975
8713	Surveying Services	0.975
872	Accounting, Auditing, and Bookkeeping	0.975
8721	Accounting, Auditing, and Bookkeeping	0.975
873	Research and Testing Services	0.975
8731	Commercial Physical Research	0.975
8732	Commercial Nonphysical Research	0.975
8733	Noncommercial Research Organizations	0.975
8734	Testing Laboratories	0.975
874	Management and Public Relations	0.975
8741	Management Services	0.975

SIC Code	Industry Description	Rate Adjustment Factor
8742	Management Consulting Services	0.975
8743	Public Relations Services	0.975
8744	Facilities Support Services	0.975
8748	Business Consulting, Not Elsewhere Classified	0.975
88	Private Households	1.000
881	Private Households	1.000
8811	Private Households	1.000
89	Services, Not Elsewhere Classified	1.050
899	Services, Not Elsewhere Classified	1.050
8999	Services, Not Elsewhere Classified	1.050
91	Executive, Legislative, and General	1.050
911	Executive Offices	1.050
9111	Executive Offices	1.050
912	Legislative Bodies	1.050
9121	Legislative Bodies	1.050
913	Executive and Legislative Combined	1.050
9131	Executive and Legislative Combined	1.050
919	General Government, Not Elsewhere Classified	1.050
9199	General Government, Not Elsewhere Classified	1.050
92	Justice, Public Order, and Safety	1.075
921	Courts	1.075
9211	Courts	1.075
922	Public Order and Safety	1.075
9221	Police Protection	1.125
9222	Legal Counsel and Prosecution	1.125
9223	Correctional Institutions	1.075
9224	Fire Protection	1.075
9229	Public Order and Safety, Not Elsewhere Classified	1.075
93	Finance, Taxation, and Monetary Policy	1.100
931	Finance, Taxation, and Monetary Policy	1.100
9311	Finance, Taxation, and Monetary Policy	1.100
94	Administration of Human Resources	1.000
941	Administration of Educational Programs	1.000
9411	Administration of Educational Programs	1.000
943	Administration of Public Health Programs	1.000
9431	Administration of Public Health Programs	1.000
944	Administration of Social and Manpower Programs	1.000
9441	Administration of Social and Manpower Programs	1.000
945	Administration of Veterans' Affairs	1.000
9451	Administration of Veterans' Affairs	1.000
95	Environmental Quality and Housing	1.025
951	Environmental Quality	1.025
9511	Air, Water, and Solid Waste Management	1.025
9512	Land, Mineral, Wildlife Conservation	1.025
953	Housing and Urban Development	1.025
9531	Housing Programs	1.025
9532	Urban and Community Development	1.025
96	Administration of Economic Programs	1.025

SIC Code	Industry Description	Rate Adjustment Factor
961	Administration of General Economic Programs	1.025
9611	Administration of General Economic Programs	1.025
962	Regulation, Administration of Transportation	1.025
9621	Regulation, Administration of Transportation	1.025
963	Regulation, Administration of Utilities	1.025
9631	Regulation, Administration of Utilities	1.025
964	Regulation of Agricultural Marketing	1.025
9641	Regulation of Agricultural Marketing	1.025
965	Regulation Miscellaneous Commercial Sectors	1.025
9651	Regulation Miscellaneous Commercial Sectors	1.025
966	Space Research and Technology	1.025
9661	Space Research and Technology	1.025
97	National Security and International Affairs	1.050
971	National Security	1.050
9711	National Security	1.050
972	International Affairs	1.050
9721	International Affairs	1.050
99	Nonclassifiable Establishments	1.125
999	Nonclassifiable Establishments	1.125
9999	Nonclassifiable Establishments	1.125

**Table 6
New York Area
Adjustment Factors**

NY zip	Area	0 - 24,999	25,000 49,999	50,000 - 74,999	75,000 and above
100	17	1.40	1.53	1.61	1.66
101	17	1.40	1.53	1.61	1.66
102	17	1.40	1.53	1.61	1.66
103	16	1.35	1.46	1.52	1.56
104	16	1.35	1.46	1.52	1.56
105	13	1.20	1.25	1.29	1.31
106	13	1.20	1.25	1.29	1.31
107	13	1.20	1.25	1.29	1.31
108	13	1.20	1.25	1.29	1.31
109	13	1.20	1.25	1.29	1.31
110	15	1.30	1.39	1.44	1.48
111	15	1.30	1.39	1.44	1.48
112	15	1.30	1.39	1.44	1.48
113	13	1.20	1.25	1.29	1.31
114	15	1.30	1.39	1.44	1.48
115	14	1.25	1.32	1.36	1.39
116	13	1.20	1.25	1.29	1.31
117	13	1.20	1.25	1.29	1.31
118	13	1.20	1.25	1.29	1.31
119	11	1.10	1.13	1.14	1.15
120	6	0.85	0.82	0.81	0.80
121	8	0.95	0.94	0.93	0.93
122	8	0.95	0.94	0.93	0.93
123	8	0.95	0.94	0.93	0.93
124	8	0.95	0.94	0.93	0.93
125	8	0.95	0.94	0.93	0.93
126	8	0.95	0.94	0.93	0.93
127	6	0.85	0.82	0.81	0.80
128	5	0.80	0.76	0.74	0.73
129	5	0.80	0.76	0.74	0.73
130	7	0.90	0.88	0.87	0.86
131	6	0.85	0.82	0.81	0.80
132	7	0.90	0.88	0.87	0.86
133	5	0.80	0.76	0.74	0.73
134	5	0.80	0.76	0.74	0.73
135	6	0.85	0.82	0.81	0.80
136	5	0.80	0.76	0.74	0.73
137	6	0.85	0.82	0.81	0.80

**Table 6
New York Area
Adjustment Factors**

138	6	0.85	0.82	0.81	0.80
139	7	0.90	0.88	0.87	0.86
140	6	0.85	0.82	0.81	0.80
141	6	0.85	0.82	0.81	0.80
142	6	0.85	0.82	0.81	0.80
143	6	0.85	0.82	0.81	0.80
144	7	0.90	0.88	0.87	0.86
145	7	0.90	0.88	0.87	0.86
146	7	0.90	0.88	0.87	0.86
147	5	0.80	0.76	0.74	0.73
148	5	0.80	0.76	0.74	0.73
149	5	0.80	0.76	0.74	0.73

Table 7
Age/Sex Factors
Effective 1/1/07

member-level factors		
Age Band	Male	Female
<1	3.4471	2.4809
1-4	0.8088	0.7154
5-9	0.3564	0.2800
10-14	0.3620	0.2964
15-19	0.4599	0.5226
20-24	0.3298	0.6863
25-29	0.3816	1.0538
30-34	0.5261	1.1816
35-39	0.6247	1.1438
40-44	0.8171	1.2420
45-49	1.0439	1.4232
50-54	1.4399	1.7007
55-59	1.8867	2.0746
60-64	2.6017	2.4966
65-69	3.3718	2.6462
70-74	2.9388	2.2901
75-59	2.4191	1.4108
80+	1.4738	1.1910

**Table 8
Dependent Count Estimation Factors**

	assumed count of children per employee having child or family coverage						
	Child <1	Child 1-4	Child 5-9	Child 10-14	Child 15-19	Child 20-24	All Ages
Employee 15-19	0.594	0.592	0.031	0.013	0.000	0.000	1.230
Employee 20-24	0.369	0.955	0.152	0.062	0.001	0.000	1.539
Employee 25-29	0.236	0.818	0.528	0.246	0.035	0.000	1.864
Employee 30-34	0.149	0.626	0.660	0.442	0.179	0.002	2.058
Employee 35-39	0.080	0.439	0.644	0.572	0.327	0.031	2.094
Employee 40-44	0.021	0.208	0.528	0.619	0.454	0.116	1.948
Employee 45-49	0.009	0.074	0.329	0.528	0.518	0.305	1.764
Employee 50-54	0.005	0.039	0.167	0.370	0.537	0.582	1.700
Employee 55-59	0.005	0.028	0.104	0.261	0.534	0.787	1.719
Employee 60-64	0.005	0.028	0.104	0.261	0.534	0.787	1.719
Employee 65-69	0.026	0.135	0.183	0.321	0.472	0.561	1.698
Employee 70-74	0.026	0.135	0.183	0.321	0.472	0.561	1.698
Employee 75-59	0.014	0.288	0.283	0.372	0.419	0.400	1.778
Employee 80+	0.014	0.288	0.283	0.372	0.419	0.400	1.778

**Table 9
Tier Rating Factors**

4-Tier Structure					
Tier	Desired Tier Relativity (to Employee Only) ¹	Number of Employees ²	Estimated Total Employees plus Dependents ³	Average Lives per Contract	PMPM Multiplier to achieve desired relativities
Employee Only	1.00	51	51	1.00	1.104
Employee and Spouse	2.18	6	12	2.00	2.407
Employee and Child(ren)	1.61	4	11	2.85	1.778
Employee and Family	2.96	6	23	3.85	3.269
	1.318	67	97	1.45	1.45
3-Tier Structure					
Tier	Desired Tier Relativity (to Employee Only) ¹	Number of Employees	Estimated Total Employees plus Dependents	Average Lives per Contract	PMPM Multiplier to achieve desired relativities
Employee Only	1.00	51	51	1.00	1.090
Employee and One	1.97	8	16	2.00	2.148
Employee and Two +	2.83	8	30	3.81	3.086
	1.334	67	97	1.45	1.45
2-Tier Structure					
Tier	Desired Tier Relativity (to Employee Only) ¹	Number of Employees	Estimated Total Employees plus Dependents	Average Lives per Contract	PMPM Multiplier to achieve desired relativities
Employee Only	1.00	51	51	1.00	1.071
Employee and Family	2.50	16	46	2.91	2.678
	1.358	67	97	1.45	1.45

¹ User input: desired tier relativities

² User input: count of employees by coverage

³ User input: child counts derived from dependent count factor table

Table 10
Expenses

Gerber Life Fees	Varies by case ranging from 5% - 10%
Premium taxes	Varies by state ranging from 1.5% - 7%
Managing General Underwriter fee	Varies by case ranging from 5% - 15%
Commissions	Varies by case ranging from 4% - 20%
Maximum expenses on any one case	40%
Underwriter discretion	Varies by case experience factor ranging from .7 - 1.30

Note: this manual is for coverage up to \$1,000,000. If an Employer Group wants coverage above \$1,000,000 a flat per member per month rate would be charged. Rate not to exceed \$3.00

Exhibit 1
Hypothetical Case Characteristics

Hypothetical Case Characteristics	
Effective date	7/1/2007
Medical and drug coverage	yes
Specific deductible	\$65,000
Contract type	12/15
SIC code	3646
Assumed first dollar annual trend	10%
Average first dollar network discount	25%
total EE's	67
2 Tier structure	

Summary of Rate Development (no expenses)	
starting base claims pmpm	\$82.25
leveraged annual trend rate	17.4%
months of trend	6
effective trend adj factor	1.083
trended base claims pmpm	\$89.10
leveraged network discount	39.6%
base claims pmpm adjusted for network	\$53.82
age/gender factor	1.156
contract type factor	0.929
Area factor 121	0.930
industry factor	0.950
final pmpm claim cost estimate	\$51.08

Gerber Life Insurance Company

ACTUARIAL MEMORANDUM Stop Loss Insurance

Form Numbers Policy Form GLXLPOL-07 Insurance Policy Providing Aggregate and Specific Stop Loss Insurance, Non-participating - Dividends are not payable.

I. Statement of Purpose of Filing - This Actuarial Memorandum has been prepared for the purpose of explaining the development of the proposed rate levels.

II. Description of Benefits - The policy reimburses employers for eligible claims incurred in and paid in the coverage period in excess of the specific deductible for eligible members and for claims exceeding the aggregate attachment level established for the employer.

III. The policy will continue in force while the required premiums are paid until the Policy is terminated by either the policyholder or the insurer with advance written notice.

IV. Applicability - The policy and corresponding rates apply to the writing of new and renewal business.

V. Morbidity - Claims costs are based on the excess loss rating model developed by Windsor Strategy Partners. The data used to develop this rate model were provided by D2Hawkeye, a data warehousing and predictive modeling company. The claims cost used in determining rates are net of coordination of benefit savings.

VI. Mortality - Not applicable

VII. Persistency - Not applicable. One year term insurance.

VIII. Percentage of Premium Expenses 35%.

IX. Marketing Method – The product will be sold directly to employers using agents and brokers.

X. Underwriting Method - The coverage is underwritten based on characteristics, demographics and historical experience of the policyholder. The carrier may elect not to offer a policy for stop loss insurance as a result of the underwriting process.

XI. Premium Classes - Not applicable. There are no premium classes.

XII. Premium Tiers – Specific rates may be provided in a variety of tier structures depending on the preference of the policyholder.

XIII. Issue Age Range – Not applicable.

XIV. Area Factors – see attachment ___.

XV. Average Annual Premium – Assuming 250 employees per employer, a \$75,000 specific deductible, 12/18 contract in zip code

XVI. Premium Modalization Rules - There are no modal charges added to the premium. Premiums are payable monthly.

XVII. Claim Liability and Reserves - Standard industry reserving methods for one year term employer stop loss insurance.

XVIII. Active Live Reserves - Not applicable

XIX. Trend -

XX. Minimum Loss Ratio – 65.0%

XXI. Anticipated Loss Ratio- 65.0%

Premium rates derived as follows

Starting claim cost per member per month (depending on deductible amount and whether or not prescription drugs are included), adjusted for the following:

Trended base claims

Leveraged network discount

Age/gender factor

Contract type factor

Area factor

Industry factor

Assuming expenses, commissions and profit of 35%:

Gross Premium =
$$\frac{\text{Final Expected Claim Cost}}{(1-.35)}$$

XXII. Distribution - Unknown since this is a new policy form filing.

XXIII. Contingency and Risk Margins – Margins are built into the 5.0% profit margin found in section VIII above.

XXIV. Experience – Not applicable, new rate filing. The data used to develop this rate model were provided to Windsor Strategy Partners by D2Hawkeye, a data warehousing and predictive modeling company.

XXV. Lifetime Loss Ratio - The anticipated lifetime loss ratio is 65.0%.

XXVI. History of Rate Adjustments – Not applicable, new rate filing based on new actuarial model.

XXVII. Number of Covered Persons – Not applicable, new rate filing.

XXVIII. Proposed Effective Date – Upon policy approval.

Certification:

I, David Wilson, am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I certify to the best of my knowledge and judgment, this Actuarial Memorandum and the entire rate filing is in compliance with the applicable laws of the State and with the rules of the Department of Insurance, and complies with Actuarial Standard of Practice No. 8 “Regulatory Filings for Rates and Financial Projections for Health Plans,” as adopted by the Actuarial Standards Board, and that the benefits provided are reasonable in relation to the proposed premiums based on the standards described above. I also certify that the rates are not excessive, inadequate or unfairly discriminatory. The Company shall maintain actuarial data and experience for review by the State upon request.



David Wilson

President

Windsor Strategy Partners

20 Cliffview Court

Princeton Junction, NJ 08550

609-275-6430



Gerber Life Insurance Company

Shana Beckford
Compliance Manager
PHONE: (914) 272-4000
FAX: (914) 272-4099
Shana.Beckford@gerber.com

August 5, 2008

LIFE AND HEALTH DIVISION
ARKANSAS INSURANCE DEPARTMENT
1200 West Third Street
Little Rock, AR 72201

RE: Policy Providing Excess Loss Insurance
Policy Form, GLXLPOL-07
Application Form, GLXLAPP-07-AR
Aggregate Accommodation Rider, AAR-07
Advance Funding for Specific Excess Loss, GLXL-AF-07
Terminal Liability Rider, GLTERMEXT-07

We are enclosing for your Department's approval, a group policy form, 3 riders, and an application. See chart below for replaced forms:

<u>New Form</u>	<u>Replaced Form</u>	<u>Approval Date</u>
GLXLPOL-07	GLXLPOL	9/26/06
AAR-07	GLAAR	9/26/06
GLTERMEXT-07	GLTERMEXT	9/26/06
GLXLAPP-07AR	GLXLAPP	9/26/06

This Excess Loss coverage will be marketed to Employer/Employee groups.

A filing fee in the amount of \$50 was sent via EFT. Please find attached all certifications required by your Department, an Actuarial Memorandum and a Rating Manual.

I hope this information is satisfactory and that we may receive your Department's approval of the enclosed forms at your earliest convenience. Please contact Shana Beckford at 914-272-4069 or via email at shana.beckford@gerber.com if you have any questions or comments in this regard.

Sincerely,

A handwritten signature in black ink that reads "Shana Beckford". The signature is written in a cursive style with a large, stylized initial "S".

Shana Beckford
Compliance Manager
Legal Department

Att.

<i>SERFF Tracking Number:</i>	<i>GLIN-125760965</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Gerber Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>39849</i>
<i>Company Tracking Number:</i>	<i>GLXLPOL-07</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>Stop Loss</i>		
<i>Project Name/Number:</i>	<i>Stop Loss/GLXLPOL-07</i>		

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Application for Aggregate and Specific Excess Loss Insurance	08/05/2008	GLXLAPP-07-AR.pdf
No original date	Supporting Document	Cover Letter	08/05/2008	AR Stop Loss Letter.pdf

**APPLICATION TO
GERBER LIFE INSURANCE COMPANY
1311 Mamaroneck Avenue
White Plains, NY 10605
FOR
AGGREGATE AND SPECIFIC EXCESS LOSS INSURANCE**

Application is hereby made to the Gerber Life Insurance Company ("Company") for Excess Loss Insurance. This Application must be accepted and approved by the Company or its authorized representative prior to any Contract being in existence.

GENERAL INFORMATION

1. Full Legal Name of Applicant:

2. Address:

City: _____ State: _____ Zip Code: _____

3. If Employee Benefit Plans of subsidiary or affiliated companies (companies under common control through stock ownership, contract, or otherwise) are to be included, list legal name and addresses of such companies.

4. Enter the full name of your Employee Benefit Plan(s) - (A copy of such Employee Benefit Plan(s) must be attached.)

5. Name and address of Designated Third Party Administrator:

6. Effective Date:

7. Estimated Initial Enrollment (will be used as the Number of Covered Units during the first Contract Month):
_____ Singles and _____ Families (or) _____ Composite _____ Total Covered Units

8. Disabled and Retiree Coverage

Disabled and Retired persons as defined in the Definitions section of the Contract will be covered only if disclosed on the Disclosure Statement.

- (a) Disabled Persons [] are [] are not covered.
Retired Employees [] are [] are not covered.
-

A. SPECIFIC BENEFIT

1.) Specific Benefit: [] Yes [] No

2.) Specific Eligible Benefit: [] Medical Only Coverage [] Medical & Prescription Drug Coverage

Note: Dental, Disability, or Vision are never included under Specific Excess Loss Insurance Coverage

3.) Specific Deductible (per individual) \$ _____

4.) Advance Funding for Specific Excess Loss: [] Yes [] No

5.) Aggregating Specific Deductible: [] Yes If yes: \$ _____
[] No N/A

6.) Specific Contract Basis:

Employee Benefit Plan expenses must be Incurred from _____ through _____
and Paid from _____ through _____

7.) Claims incurred prior to the Contract Effective Date are limited to: \$ _____

8.) Specific Payable Percentage (excess of deductible) _____ %

9.) Maximum Specific Benefit (per covered unit in excess of specific deductible): \$ _____

10.) Specific Premium Rates: (per month) _____

Single \$ _____ Employee + Child \$ _____ Employee + Spouse \$ _____ Family \$ _____

11.) Minimum Monthly Specific Premium: \$ _____

12.) Special Risk Limitations:

14. **IT IS UNDERSTOOD AND AGREED, AS CONDITIONS PRECEDENT TO THE APPROVAL OF THIS APPLICATION, THAT:**

- (a) All documentation requested by the Company must be submitted prior to any approval of this Application and must be received by the Company within ninety (90) days of the requested Effective Date.
- (b) If the Schedule shows disabled persons are not covered, no benefits will be paid under the Contract for expenses Incurred or Paid under the Employee Benefit Plan for a disabled person until:
 - (1) if an employee, he or she returns to active, full-time employment for at least one (1) full working day; or
 - (2) if a dependent or Continuation Beneficiary, he or she is able to perform the normal functions of a person of like sex and age.
- (c) Issuance of the Contract is in reliance upon the information provided by the Applicant or its Agent. Should subsequent information become known which, if known prior to issuance of the Contract, would have affected the rates, deductibles, terms or conditions for coverage, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Insured.
- (d) The Contract, if issued, may be void, if whether before or after a claim or loss, any material fact or circumstance was concealed or misrepresented on behalf of the Applicant, or if the Applicant or its Agent, committed fraud.
- (e) Receipt of a premium and its deposit in connection with the Application shall not constitute an acceptance of liability. In the event that Gerber Life Insurance Company disapproves this Application, its sole obligation shall be to refund such sum to the Applicant.
- (f) If a Contract is issued and later rescinded, the sum of all benefits paid will be deducted from the sum of all premiums paid. If the result is positive, such amount will be paid by the Company to the Applicant. If the result is negative, such amount will be paid by the Applicant to the Company.
- (g) The initial premium will be paid on or before the Effective Date, and subsequent premiums are due no later than the first day of each calendar month during the Contract Year.
- (h) Applicant acknowledges that the Contract which is the subject of this Application is a reimbursement Contract. Applicant must first pay claims before submitting them for reimbursement.
- (i) Oral Statements not expressly incorporated herein are not part of this Contract. Only the President or Executive Officer of the Company may make changes to the Contract Form or Addenda on behalf of the Company. All changes to this Contract must be in writing and attached to this Contract.
- (j) NEITHER THIS APPLICATION NOR THE TERMS OF THIS APPLICATION MAY BE ALTERED.

NOTICE: Employers/plan sponsors of self-funded health plans should not consider the purchase of stop loss coverage and/or excess loss coverage as complete protection from all liability created by the self-funded health plan. Employers/plan sponsors should be aware that the failure to comply with the terms of the stop loss policy and/or the provisions in the self-funded health plan may cause the employer/plan sponsor to incur liabilities under the health plan. For instance, if medical claims are paid on an ineligible individual, the stop loss carrier may deny the reimbursement under the stop loss policy. In addition, the Arkansas Life and Health Insurance Guaranty Association does not cover claims reimbursable under a stop loss policy.

In making this Application, the Applicant represents that, to the best of its knowledge and belief, such information accurately reflects the true facts and that the undersigned has authority to bind the Applicant to the proposed Contract. Accordingly, this Application, and Disclosure Statement will be a part of the Contract if accepted by the Company or its authorized representative.

Dated at _____ this _____ day of _____ (19 _____)

Witness: _____ Applicant: _____

Tax ID# _____

By: _____
(Officer/Partner)

Title: _____

ACCEPTANCE

Accepted on behalf of the Company, this _____ day of _____

By: _____

Title: _____

Contract No.: _____ Effective Date: _____



Gerber Life Insurance Company

Shana Beckford
Compliance Manager
PHONE: (914) 272-4000
FAX: (914) 272-4099
Shana.Beckford@gerber.com

August 5, 2008

LIFE AND HEALTH DIVISION
ARKANSAS INSURANCE DEPARTMENT
1200 West Third Street
Little Rock, AR 72201

RE: Policy Providing Excess Loss Insurance
Policy Form, GLXLPOL-07
Application Form, GLXLAPP-07-M
Aggregate Accommodation Rider, AAR-07
Advance Funding for Specific Excess Loss, GLXL-AF-07
Terminal Liability Rider, GLTERMEXT-07

We are enclosing for your Department's approval, a group policy form, 2 riders, an application, and a miscellaneous form. See chart below for replaced forms:

<u>New Form</u>	<u>Replaced Form</u>	<u>Approval Date</u>
GLXLPOL-07	GLXLPOL	9/26/06
AAR-07	GLAAR	9/26/06
GLTERMEXT-07	GLTERMEXT	9/26/06
GLXLAPP-07AR	GLXLAPP	9/26/06

This Excess Loss coverage will be marketed to Employer/Employee groups. We offer this coverage to employers with fewer than 50 employees who have ERISA qualified plans.

A filing fee in the amount of \$50 was sent via EFT. All certifications required by your Department have been attached.

I hope this information is satisfactory and that we may receive your Department's approval of the enclosed forms at your earliest convenience. Please contact Shana Beckford at 914-272-4069 or via email at shana.beckford@gerber.com if you have any questions or comments in this regard.

Sincerely,

A handwritten signature in black ink that reads "Shana Beckford". The signature is written in a cursive style with a large, stylized initial "S".

Shana Beckford
Compliance Manager
Legal Department