



MAVERICK COMMERCIAL INSURANCE SERVICES

W.C. PAYGO

We are pleased to offer you a new payment plan for Workers' Compensation Insurance --- one that ties the amount and the due date of each premium payment directly to the insured's payroll cycle.

BENEFITS:

1. Your client will pay their workers compensation premium at the pace of their business. This benefits their cash flow and reduces their financing costs. When income and payroll are down during a slow period, the Insured's premium payments will also be reduced during that period. When business is up, payments will be greater.
2. The final payroll audit we conduct will go much faster, and should yield a very minor additional or return premium provided the Insured has complied with the pay as you go premium plan.
3. By using our qualified payroll service company to process the payroll, your insured can delegate the entire process except for the final audit. You can be assured that premium installments won't inadvertently get overlooked, which can lead to policy cancellations and the risk of being an illegally uninsured employer.

4. Your insured is provided with “net rates” by classification and state that easily enable them to estimate the workers’ compensation insurance component of their costs, when preparing bids for prospective work.
5. Exclusive program West of the Mississippi
6. Our payroll company rates are 40% to 60% below most other payroll companies.
7. Deposit of 10% is applied to the premiums earned after the 305th day (The last two months)
8. Broker fees are not collected up front but are billed into the Insured’s Net Rate and collected at each pay period.
9. Exclusive safety group program with preferred rates (18% to 30% below State Fund)
10. Only an accord application required (No loss runs or w.c. questionnaire)
11. 10% commission to our agents..

TARGET CLASSES: Construction, janitorial, trucking, agricultural, new ventures, lapse in coverage, accounts coming out of self insured programs, PEO’S (Barrett), or companies that require that they do the payroll as part of writing the insurance e.g. (Applied Underwriters). Please note that Our program will also entertain most classes of insurance and is not limited to just the above classes.

HOW DOES IT WORK?

Ask Maverick to apply for WCPAYGO on your next Workers Compensation insurance quote.

- a) The Insured will be asked to use our payroll company, Tom J. Hull and Company.
- b) We will quote the estimated annual premium and the WCPAYGO plan with a 10% deposit. On the 305th day of the Policy Period, the payroll company will apply the 10% down against the earned premium for the remaining policy term to exhaust the same.
- c) The WCPAYGO Plan can only be activated at the start of the policy period and must be requested (5 days prior to inception). A policy cannot be converted to the WCPAYGO Plan from a regular payment plan during the Policy Term... The Insured can accept our PAYGO Group or Non-Group Quotations, or our Standardized Group or Non-Group Quotations. We will provide the Insured with both PAYGO and Standardized Installment Quotation Options.

TO ACTIVATE PAYGO PLAN:

1. Advise us 5 days before its proposed effective date that you accept our quote, including the WCPAYGO plan
2. Insured will contact Tom J Hull and Company and set up the PAYGO.

Tom J. Hull & Company
21220 Devonshire Street
Second Floor, Suite 209
Chatsworth, CA 91311
(818) 998-0919 or (800) 711-6244

3. The broker is responsible to collect the 10% security deposit along with any specified broker fees if any, which will be due and payable 5 days prior to inception date of the policy.
4. We will issue the Insurance policy.

How does it Operate:

1. We will not bill you for premium installment payments...
2. We will provide the payroll service company with a "net rate" for each Classification in each State on your insured's policy...
3. At the close of each pay period, our payroll service company will do the following:
 - (a) Determine the amount payable to us, based upon the Insured's payroll and the payrolls of your uninsured contractors in the pay period just ended, and the net rates, by State and Classification; and
 - (b) Pay that amount, by wire transfer (ACH) through an impound account your insured will set up with our payroll company, and Submit payment to the carrier.

"Special Procedures" below. Procedures that will apply in some special circumstances for this plan...

Changes in the Policy:

Changes in the risks insured against, or the operation of technical rules of premium calculation, may require us to make changes during the policy period to the estimated annual premium. Some examples are listed below.

Any changes made will change the net rates applied. We will provide the new net rates to the payroll service company. The payroll service will apply the new net rates to the calculation of the subsequent payments.

