

State: Indiana **Filing Company:** Indiana Compensation Rating Bureau
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: E-1406
Project Name/Number: Revisions to the ERM-14 form & Rule 3-A in the Exper Rating Plan Manual/E-1406

Filing at a Glance

Company: Indiana Compensation Rating Bureau
Product Name: E-1406
State: Indiana
TOI: 16.0 Workers Compensation
Sub-TOI: 16.0004 Standard WC
Filing Type: Form/Rule
Date Submitted: 09/11/2019
SERFF Tr Num: INCR-132079019
SERFF Status: **Closed-Filed**
State Tr Num: EFT OK /
State Status:
Co Tr Num: E-1406
Co Status:
Effective Date: 02/01/2020
Requested (New):
Effective Date: 02/01/2020
Requested (Renewal):
Author(s): Robin Eleson
Reviewer(s): Jene' Bastian (primary), Kim Green
Disposition Date: 09/11/2019
Disposition Status: Filed
Effective Date (New):
Effective Date (Renewal):

State: Indiana **Filing Company:** Indiana Compensation Rating Bureau
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: E-1406
Project Name/Number: Revisions to the ERM-14 form & Rule 3-A in the Exper Rating Plan Manual/E-1406

General Information

Project Name: Revisions to the ERM-14 form & Rule 3-A in the Status of Filing in Domicile: Pending
 Exper Rating Plan Manual
 Project Number: E-1406 Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular: NCCI Circular CIF-2019-30
 Filing Status Changed: 09/11/2019 Company Status Changed:
 State Status Changed: Deemer Date:
 Created By: Robin Eleson Submitted By: Robin Eleson
 Corresponding Filing Tracking Number:

Filing Description:
 This item revises the following in NCCI's Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Experience Rating Plan Manual):

- Appendix—ERM-14 Form—Confidential Request for Ownership Information (ERM-14 Form)
- Rule 3-A—Ownership Changes and Combination of Entities—Reporting Requirement

Company and Contact

Filing Contact Information

Duane Schroeder, Vice President dschroeder@icrb.net
 5920 Castleway W Dr 317-842-2800 [Phone] 308 [Ext]
 Indianapolis, IN 46250

Filing Company Information

Indiana Compensation Rating Bureau	CoCode:	State of Domicile: Indiana
Bureau	Group Code:	Company Type: Rating Organization
5920 Castleway W Dr	Group Name: ICRB	State ID Number:
Indianapolis, IN 46250	FEIN Number: 35-0837318	
(317) 842-2800 ext. 301[Phone]		

Filing Fees

Fee Required? Yes
 Fee Amount: \$35.00
 Retaliatory? No
 Fee Explanation:
 Per Company: Yes

Company	Amount	Date Processed	Transaction #
Indiana Compensation Rating Bureau	\$35.00	09/11/2019	165672700

State: Indiana Filing Company: Indiana Compensation Rating Bureau
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: E-1406
Project Name/Number: Revisions to the ERM-14 form & Rule 3-A in the Exper Rating Plan Manual/E-1406

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Jene' Bastian	09/11/2019	09/11/2019

State: Indiana **Filing Company:** Indiana Compensation Rating Bureau
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: E-1406
Project Name/Number: Revisions to the ERM-14 form & Rule 3-A in the Exper Rating Plan Manual/E-1406

Disposition

Disposition Date: 09/11/2019
 Effective Date (New):
 Effective Date (Renewal):
 Status: Filed

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	80 Filing Description/Cover Letter/NAIC Transmittal		Yes
Supporting Document	Third Party Filers		Yes
Supporting Document	E-1406 Filing Memorandum		Yes

SERFF Tracking #:

INCR-132079019

State Tracking #:

EFT OK /

Company Tracking #:

E-1406

State:

Indiana

Filing Company:

Indiana Compensation Rating Bureau

TOI/Sub-TOI:

16.0 Workers Compensation/16.0004 Standard WC

Product Name:

E-1406

Project Name/Number:

Revisions to the ERM-14 form & Rule 3-A in the Exper Rating Plan Manual/E-1406

Supporting Document Schedules

Satisfied - Item:	80 Filing Description/Cover Letter/NAIC Transmittal
Comments:	Item E-1406 - Revisions to the ERM-14 form & Rule 3-A in the Experience Rating Plan Manual
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Third Party Filers
Comments:	Per IC 27-7-2-3 through IC 27-7-2-4, the Bureau has statutory authority to file rates, rules, plans & forms on behalf of all workers compensation insurance companies in Indiana.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	E-1406 Filing Memorandum
Comments:	
Attachment(s):	Item E-1406 - Revisions to the ERM-14 form & Rule 3-A in the Exper Rating Plan Manual.pdf
Item Status:	
Status Date:	

FILING MEMORANDUM

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

PURPOSE

This item revises the following in NCCI's *Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Experience Rating Plan Manual)*:

- Appendix—ERM-14 Form—Confidential Request for Ownership Information (ERM-14 Form)
- Rule 3-A—Ownership Changes and Combination of Entities—Reporting Requirement

BACKGROUND

Experience Rating Plan Manual Rule 3-A states that changes in ownership and/or combinability status must be reported by the employer to its carrier(s) by submitting either a completed ERM-14 Form or a narrative on the letterhead of the employer, signed by an officer. The ERM-14 Form was last updated in 2003 in Item E-1379—2003 Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance.

In 2017, NCCI conducted an informal survey of carriers and producers regarding the ownership submission process and the ERM-14 Form. The survey results included requests to make the following changes to the ERM-14 Form:

- Reduce the length
- Clarify wording so that it is easier to understand
- Automate the submission process

In response to the 2017 survey findings, NCCI developed and implemented the online *Experience Rating Ownership Submission* tool. This tool enables users to:

- Complete the ERM-14 Form online (including an electronic signature option)
- Route the ERM-14 Form electronically to various business entities involved in the ownership change or between the business entity and its agent and/or carrier
- Submit the completed and signed ERM-14 Form electronically to NCCI

In 2018, NCCI initiated a review of the ERM-14 Form, which included soliciting internal and external feedback from multiple NCCI employees, carriers, and independent rating bureaus. As a result of the review, NCCI revised the ERM-14 Form; these revisions are intended to improve the accuracy and completeness of ERM-14 Form submissions.

PROPOSAL

This item proposes the following national and state-specific revisions to NCCI's *Experience Rating Plan Manual*:

1. Appendix—Revise the ERM-14 Form—Confidential Request for Ownership Information to:
 - Simplify the title (the word "confidential" was removed from the title because it is included in the first paragraph of the form)
 - Reduce the length of the form
 - Clarify wording so it is easier to understand

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FILING MEMORANDUM

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

2. Rule 3-A—Revise the rule to update the title of the ERM-14 Form

IMPACT

No statewide premium impact will result from the changes proposed in this item.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit	Exhibit Comments	Implementation Summary
1	Details the revisions to the ERM-14 Form in the national <i>Experience Rating Plan Manual</i> Appendix.	To be used to report changes in ownership and/or combinability status submitted on and after February 1, 2020.
2	<ul style="list-style-type: none"> Details the revisions to Rule 3-A in NCCI's <i>Experience Rating Plan Manual</i> The revisions to Rule 3-A do not apply in MA and NC Refer to state exhibits for MA and NC 	<ul style="list-style-type: none"> In all states except Hawaii, this item is to become effective for new and renewal policies effective February 1, 2020
3	Details the revisions to Massachusetts's exception to Rule 3-A in NCCI's <i>Experience Rating Plan Manual</i> .	<ul style="list-style-type: none"> In Hawaii, the effective date is determined upon regulatory approval of the individual carrier's election to adopt this change
3	Details the revisions to North Carolina's exception to Rule 3-A in NCCI's <i>Experience Rating Plan Manual</i> .	
Informational Exhibit 1	Details the revised ERM-14 Form instructions that will be provided on ncci.com .	To be used to report changes in ownership and/or combinability status submitted on and after February 1, 2020.

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ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

EXHIBIT 1
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
APPENDIX

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

ERM-14 FORM—CONFIDENTIAL REQUEST FOR OWNERSHIP INFORMATION
Effective 01-Dec-2003

All items must be answered completely or the form may be returned.

The following confidential ownership statements may be used only in establishing premiums for your insurance coverages. Your workers compensation policy requires that you report ownership changes, and other changes as detailed below, to your insurance carrier in writing within 90 days of the change. If you have questions, contact your agent, insurance company, or the appropriate rating organization. Once completed, this form must be submitted to the rating organization by you, your insurance carrier(s), or your agents. If this form does not provide the means to explain the transaction, enter as much information on the form as possible and supplement the form with a narrative on the employer's letterhead, signed by an owner, partner, or executive officer.

Section A—Transaction and Entity Information

Check all that apply	Type of Transaction Columns A, B, and C referenced below are found in Section B:	Effective Date Enter effective date of transaction	Reported Date Enter date reported in writing to your insurance provider
	Name and/or legal entity change —Complete column A for former entity and column B for newly named entity. Complete Type of Entity portion for each entity to reflect such change.		
	Sale, transfer or conveyance of all or a portion of an entity's ownership interest —Complete column A for ownership before the change and column B for ownership after the change.		
	Sale, transfer or conveyance of an entity's physical assets to another entity that takes over its operations —Complete column A for the former entity and column B for the acquiring entity.		
	Merger or consolidation (attach copy of agreement) —Complete columns A and B for the former entities and column C for the surviving entity.		
	Formation of a new entity that acts as, or in effect is, a successor to another entity that: (a) Has dissolved (b) Is non-operative (c) May continue to operate in a limited capacity.		
	An irrevocable trust or receiver, established either voluntarily or by court mandate —Complete column A before the change and column B after the change.		
	Determination of combinability of separate entities —Complete a separate column in Section B for each entity to be reviewed for common ownership (attach additional forms if necessary).		

ENTITY 1—Complete Column A on Page 3

Complete Name of Entity (including DBA or TA) _____

Risk ID _____ FEIN _____

Type of Entity (check all that apply) Carrier _____ Policy # _____ Eff. Date _____

- Sole Proprietorship Limited Partnership Temporary Labor Service School District Irrevocable Trust
- Partnership Limited Liability Corporation Publicly Traded For Profit Religious Organization
- Domestic Corporation Joint Venture State Agency Not for Profit Charitable Organization
- Foreign Corporation Association (including unincorporated) County Agency Non Profit Franchise
- Sub-Chapter S Corp Employee Leasing Municipality Revocable Trust ESOP

Primary Address

Street _____ City, State, Zip _____

Telephone Number _____ Fax Number _____ E-mail Address _____

Contact Name _____ Web Site _____

Mailing Address (if different than Primary Address) _____

Additional Location(s) _____

ERM-14 (Rev. 12/03)

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

EXHIBIT 1 (CONT'D)
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
APPENDIX

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

ENTITY 2—Complete Column B on Page 3

Complete Name of Entity (including DBA or TA) _____

Risk ID _____ FEIN _____

Type of Entity (check all that apply) Carrier _____ Policy # _____ Eff. Date _____

- | | | | | |
|---|---|--|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Temporary Labor Service | <input type="checkbox"/> School District | <input type="checkbox"/> Irrevocable Trust |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> Publicly Traded | <input type="checkbox"/> For Profit | <input type="checkbox"/> Religious Organization |
| <input type="checkbox"/> Domestic Corporation | <input type="checkbox"/> Joint Venture | <input type="checkbox"/> State Agency | <input type="checkbox"/> Not for Profit | <input type="checkbox"/> Charitable Organization |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Association (including unincorporated) | <input type="checkbox"/> County Agency | <input type="checkbox"/> Non Profit | <input type="checkbox"/> Franchise |
| <input type="checkbox"/> Sub-Chapter S-Corp | <input type="checkbox"/> Employee Leasing | <input type="checkbox"/> Municipality | <input type="checkbox"/> Revocable Trust | <input type="checkbox"/> ESOP |

Primary Address

Street _____ City, State, Zip _____

Telephone Number _____ Fax Number _____ E-mail Address _____

Contact Name _____ Web Site _____

Mailing Address (if different than Primary Address) _____

Additional Location(s) _____

ENTITY 3—Complete Column C on Page 3

Complete Name of Entity (including DBA or TA) _____

Risk ID _____ FEIN _____

Type of Entity (check all that apply) Carrier _____ Policy # _____ Eff. Date _____

- | | | | | |
|---|---|--|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Temporary Labor Service | <input type="checkbox"/> School District | <input type="checkbox"/> Irrevocable Trust |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> Publicly Traded | <input type="checkbox"/> For Profit | <input type="checkbox"/> Religious Organization |
| <input type="checkbox"/> Domestic Corporation | <input type="checkbox"/> Joint Venture | <input type="checkbox"/> State Agency | <input type="checkbox"/> Not for Profit | <input type="checkbox"/> Charitable Organization |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Association (including unincorporated) | <input type="checkbox"/> County Agency | <input type="checkbox"/> Non Profit | <input type="checkbox"/> Franchise |
| <input type="checkbox"/> Sub-Chapter S-Corp | <input type="checkbox"/> Employee Leasing | <input type="checkbox"/> Municipality | <input type="checkbox"/> Revocable Trust | <input type="checkbox"/> ESOP |

Primary Address

Street _____ City, State, Zip _____

Telephone Number _____ Fax Number _____ E-mail Address _____

Contact Name _____ Web Site _____

Mailing Address (if different than Primary Address) _____

Additional Location(s) _____

Section B—Ownership

- Have any of these entities operated under another name in the last four years? Yes No
- Are any of the entities currently related through common majority ownership to any entity not listed on the front of the form? Yes No
- Have any of these entities been previously related through common majority ownership to any other entities in the last four years? Yes No
- If you answered Yes to questions 1, 2, or 3 above, provide additional information, indicating which question(s) your answer references:
 1 2 3

Name of Business	Principal Location	Carrier and Policy Number	Effective Date

- Were the assets and/or ownership interest (all or a portion) of this entity acquired from a previously existing business? Yes No
If yes, you must provide complete ownership information for the prior owner in column A and ownership information for the new owner in column B.
- If this is a partial sale, transfer, or conveyance of an existing business (i.e., sale of one or more plants or locations):
 - Explain what portion or location of the entire operation was sold, transferred, or conveyed:

 - Was this entity insured under a separate policy from the remaining portion? Yes No
If not, specify the entities with which it was combined:

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

**EXHIBIT 1 (CONT'D)
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
APPENDIX**

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, **IN**, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

- 7: Did the legal status of this entity change? Yes No
If yes, you must complete the Type of Entity portion for each entity to reflect such change.
- 8: Is this transaction a result of bankruptcy? Yes No
If yes, please indicate under which Chapter the bankruptcy was filed: _____

Corporations—List all names of owners of 5% or more of voting stock and number of shares owned. Submit shareholder proposal if transaction involved exchange of stock.

Partnerships—List each partner and appropriate share in the profits. If the entity is a limited partnership, list name(s) of each general partner(s).

Other—If no voting stock, list members of board of directors or comparable governing body.

Information	Column A	Column B	Column C
	Enter name used in Section A for Entity 1 Entity 1	Enter name used in Section A for Entity 2 Entity 2	Enter name used in Section A for Entity 3 Entity 3 if applicable, use this column for multiple combinations or entities resulting from mergers and consolidations
Name of Entity			
Ownership See reference above to ownership information required for corporations, partnerships, and other entities.			
Total Ownership Interest or Number of Shares			

NOTE: If your business has changed significantly to result in a change to the primary (governing) classification and the process and hazard of the operation have also changed, contact your agent, insurance company or rating organization for additional information.

Section C—Additional Information

Please include any additional information you believe pertinent to the transaction detailed above that cannot be expressed due to the format of this form. If there is not enough space below, attach the information on the entity's letterhead, signed by an owner, partner, or executive officer.

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

**EXHIBIT 1 (CONT'D)
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
APPENDIX**

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

Section D—Did You Remember to...

- Indicate the type of transaction, check all that apply, and include transaction and notification dates?
- Complete all necessary entity information? **Note:** You can use more forms if the number of entities exceeds three.
 - Entity name
 - Risk identification number (if you know it)
 - Federal Employer Identification Number (FEIN)
 - Type of entity
 - Primary address, telephone, and other contact information
 - Mailing address and additional locations if applicable
- Fill out the ownership table completely?
 - Include the names of the entities as listed in Section A?
 - Include all owners, partners, board of director members, members and/or manager of LLCs, general partners of LPs, or any other comparable governing body?
 - Include percentage of ownership for each owner, partner, board of director member, member and/or manager of LLCs, general partner of LPs, or any other comparable governing body?
- Answer questions 1 through 8?

Section E—Certification

**This is to certify that the information contained on this form is complete and correct.
All forms will be returned if this Certification Section is incomplete.**

Name of person completing form: _____

Check which entity or entities the signer represents: Entity 1 Entity 2 Entity 3 Other _____

Signature of Owner, Partner, Member, or Executive Officer	Title	Carrier
---	-------	---------

Print name of above signature	Date	Carrier Address
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Section F—For Rating Organization Use Only

Associate/automated _____

Date received _____

Date complete _____

Assessment form complete? What is missing? _____

Ruling _____

Revisions necessary—Yes/No _____

Revisions complete and mailed—Yes/No/NA _____

Rating Effective Date impacted—Yes/No—if Yes, which ones? _____

Risk ID impacted—list all impacted, any deactivated? Indicate deactivated #s _____

All carriers/rating organizations notified? _____

ERM-14 (Rev. 12/03)

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

**EXHIBIT 1 (CONT'D)
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
APPENDIX**

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

REQUEST FOR OWNERSHIP INFORMATION—ERM-14 FORM

Effective February 1, 2020

The purpose of this confidential form is to obtain ownership information to assist in calculating premium for your workers compensation insurance policy. Your policy requires that you report ownership changes, and other changes as detailed below, to your insurance carrier in writing within 90 days of the change. If you have questions, contact your agent, insurance company, or the appropriate rating organization. Incomplete information or a missing signature may result in a delay in processing.

The ownership information required on this ERM-14 Form can also be submitted in narrative form on the letterhead of the employer, signed by an owner, partner, member, or executive officer.

Section A—Contact Information

Name of person completing this form _____ Your Employer _____

Phone # _____ Email Address _____

Relationship to business entity reporting ownership information _____

Section B—Transaction Information

Type of Transaction (check all that apply)	Transaction Effective Date
<input type="checkbox"/> Name and/or legal entity change The name and/or legal status of the entity has changed. DBA name changes do not need to be reported.	
<input type="checkbox"/> Sale, transfer, or conveyance of all or a portion of an entity's ownership interest Complete or partial sale of the business entity's ownership interest.	
<input type="checkbox"/> Sale, transfer, or conveyance of an entity's physical assets to another entity that takes over its operations An entity's assets have been sold or transferred. The acquiring entity has taken over the operations, and the selling entity retained its legal business name.	
<input type="checkbox"/> Merger or consolidation Two or more entities have merged or combined to form a single entity.	
<input type="checkbox"/> Formation of a new entity that acts as, or in effect is, a successor to another entity that: (Select one) <input type="checkbox"/> Has dissolved <input type="checkbox"/> Is nonoperative <input type="checkbox"/> May continue to operate in a limited capacity	
<input type="checkbox"/> Formation of a new entity A new entity has formed that is not a successor to another entity. Report this change only to determine combinability with another entity.	
<input type="checkbox"/> An irrevocable trust or receiver, established either voluntarily or by court mandate A change has occurred to the business, either voluntarily or by court mandate, requiring the entity to be put in a trust or receivership.	
<input type="checkbox"/> Determination of combinability of separate entities Two or more entities may need to be combined or separated based on their ownership interest.	

Section C—Description of Transaction(s)

Include a brief description of the transaction(s) selected above. Attach additional information on the employer's letterhead, if needed.

- If this is a partial sale, transfer, or conveyance of an existing business (e.g., sale of one or more plants or locations), explain what portion or location of the entire operation was sold, transferred, or conveyed.
- If any of the entities that underwent a change in ownership were related through common ownership to any other entity before the transaction described above, list the entities and their current owners' names and percentages of ownership below.

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

EXHIBIT 1 (CONT'D)
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
APPENDIX

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

Section D—Business Entity Information

Copies of this page may be submitted for transactions with more than three entities.

Entity Information	Entity 1 Entity before the change or to determine combinability with another entity	Entity 2 Entity after the change or to determine combinability with another entity	Entity 3 Entity after a merger or consolidation or to determine combinability with another entity
1. Name of Business Provide the legal name of the business entity.			
2. Primary Address (Street, City, State, Zip)			
3. Legal Status (See examples in item 4 below)			
4. Ownership List names of individual owners, partners, etc. and percentages of ownership (if applicable). Ownership should total 100%. - Sole Proprietorship: Owner - Corporation: Owner(s) and percentages of ownership - General Partnership: Partners and percentages of ownership - Limited Partnership: General partners and percentages of ownership - Limited Liability Company: Members and percentages of ownership - Revocable Trust: Grantor(s) - Irrevocable Trust: Trustee(s) - Other: If no voting stock, list members of board of directors or comparable governing body			
5. FEIN			
6. Risk ID Number			
7. Policy Number			
8. Policy Effective Date			
9. Contact Name			
10. Contact Phone/Email			

Section E—Certification

This is to certify that the information contained on this form is complete and correct.

Signature of Owner, Partner, Member, or Executive Officer _____ Title _____ Business Name _____

Print name of above signature _____ Date _____

ITEM E-1406—REVISIONS TO THE ERM-14 FORM AND RULE 3-A IN THE EXPERIENCE RATING PLAN MANUAL

EXHIBIT 2
EXPERIENCE RATING PLAN MANUAL—2003 EDITION
RULE 3—OWNERSHIP CHANGES AND COMBINATION OF ENTITIES
(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

A. REPORTING REQUIREMENT

The 90-Day Reporting Requirement—Notification of Change in Ownership Endorsement provides that changes in ownership and/or combinability status must be reported by the employer to its carrier(s) within 90 days of the date of the change. This may be accomplished by submitting:

- A completed ~~Confidential~~ Request for Ownership Information Form— (see the ERM-14 Form in Appendix) (located in the Appendix and on ncci.com), or
- The information in narrative form on the letterhead of the employer, signed by an officer

Failure to report changes in ownership to the carrier according to the 90-Day Reporting Requirement—Notification of Change in Ownership Endorsement may be considered experience rating modification evasion. *Refer to Rule 3-F.*

This reporting requirement applies regardless of whether an experience rating modification is currently applicable.



Informational Exhibit 1

ERM-14 Form Instructions

How to Submit

The ERM-14 Form is available on the Frequently Accessed Forms section of the Residual Markets, Underwriting, or Agents/Brokers pages on ncci.com. It can be submitted using one of the following options:

1. Experience Rating Ownership Submission Tool With eSignature

To complete the ERM-14 Form using the *Experience Rating Ownership Submission* tool, the identifying information for the person completing the form (submitter) and the person signing the form (certifier) must be provided. Once the form is completed, a link will be emailed to the certifier for an electronic signature. Then, the form and attachments, if any, will be automatically submitted to NCCI for review.

2. ERM-14 Form (PDF)

The form can be filled out online, printed, signed, and sent to NCCI, with any attachments, via one of the following methods:

- Email: customer_service@ncci.com
- Fax: 561-893-1191
- US Mail: NCCI
901 Peninsula Corporate Circle
Boca Raton, FL 33487-1362

Sections to Be Completed

➤ Section A—Contact Information

This section is required to identify the person completing the form. Enter the person's name, employer, phone number, email address, and relationship to the business entity for which the ownership information is being reported.

➤ Section B—Transaction Information

This section is required to identify the type of change or transaction that occurred; one or more types of transactions may apply. Provide the date that each transaction occurred.

If the **formation of a new entity that acts as, or in effect is, a successor to another entity** applies, select one of the options that best describes the current status of the previous entity's operations. A successor entity:

- Is a new entity that has replaced another entity
- May operate under a new name and/or at a new location
- Has the same type of business operations as the previous entity

The **formation of a new entity** transaction applies when the new entity shares ownership interest with another entity. In this scenario, the **determination of combinability of separate entities** option must also be selected.

➤ Section C—Description of Transaction(s)

This section is required to describe the transaction(s) selected in Section B. If additional space is needed, attach a detailed description of the transaction(s) on the employer's letterhead, signed by an owner, partner, member, or executive officer. NCCI may request supporting documentation, if needed.

➤ Section D—Business Entity Information

Complete the information for each entity related to the transaction(s) selected in Section B. For transactions with more than three entities, make copies of page 2.

Examples of how to complete the Business Entity Information are provided below:

Transaction Type	How to Complete
Name and/or legal entity change	<ul style="list-style-type: none"> • Entity 1 column is for the entity <i>before</i> the change • Entity 2 column is for the entity <i>after</i> the change
Sale, transfer, or conveyance of all or a portion of an entity's ownership interest	
An irrevocable trust or receiver, established either voluntarily or by court mandate	
Sale, transfer, or conveyance of an entity's physical assets to another entity that takes over its operations	<ul style="list-style-type: none"> • Entity 1 column is for the <i>prior</i> entity • Entity 2 column is for the <i>acquiring</i> entity
Merger or consolidation	<ul style="list-style-type: none"> • Entity 1 and Entity 2 columns are for the <i>former</i> entities • Entity 3 column is for the <i>surviving</i> entity
Formation of a new entity that acts as, or in effect is, a successor to another entity that has dissolved, is nonoperative, or may operate in a limited capacity	<ul style="list-style-type: none"> • Entity 1 column is for the <i>former</i> entity • Entity 2 column is for the <i>new</i> entity
Formation of a new entity	<ul style="list-style-type: none"> • Entity 1 column is for the <i>new</i> entity to be reviewed for common ownership • Entity 2 column is for the <i>second</i> entity to be reviewed for common ownership
Determination of combinability of separate entities	<ul style="list-style-type: none"> • Entity 1 and Entity 2 columns are for the two entities to be reviewed for common ownership • Entity 3 column is for a third entity to be reviewed for common ownership (if applicable) <p>Report the change in ownership that occurred resulting in the request for a determination of combinability.</p>

1. **Name of Business:** Provide the complete legal name of each business entity. If the DBA name is provided, it should be in addition to, and not in place of, the legal name.
2. **Primary Address:** Provide the complete physical address of each business entity including the street address, city, state, and zip code.
3. **Legal Status:** Provide the type(s) of legal entity(ies) and business structure(s) that best describe each business entity; multiple types may apply—see some examples below:
 - Association (including unincorporated)
 - Charitable Organization
 - Cooperative
 - Corporation (indicate if entity is foreign)
 - Employee Stock Ownership Plan (ESOP)
 - Family Limited Partnership (FLP)
 - Franchise
 - General Partnership (GP)
 - Government Agency
 - Irrevocable Trust
 - Joint Venture
 - Limited Liability Company (LLC)
 - Limited Liability Limited Partnership (LLLLP)
 - Limited Liability Partnership (LLP)
 - Limited Partnership (LP)
 - Municipality
 - Nonprofit
 - Not-for-Profit
 - Partnership
 - Publicly Traded
 - Religious Organization
 - Revocable Trust
 - School District
 - Sole Proprietorship
 - Sub-Chapter S-Corp
4. **Ownership:** Provide the ownership information for each business entity listed in Section D. Include the name and percentage of ownership for each owner, partner, member, etc. See required information for each legal status or business structure below.

The percentages of ownership for each entity should total 100%.

Legal Status/Business Structure	Information Required
Sole Proprietorship	Name of sole proprietor
Corporation	Names of owners of voting stock and number or percentage of shares owned
General Partnership (GP)	Names of partners and percentages of ownership
Family Limited Partnership (FLP)	Name(s) of general partner(s) and percentages of ownership
Limited Liability Limited Partnership (LLLLP)	
Limited Partnership (LP)	
Limited Liability Partnership (LLP)	Names of partners and percentages of ownership
Limited Liability Company (LLC)	Name(s) of member(s) and percentages of ownership
Revocable Trust	Name(s) of grantor(s) of the trust, i.e., settlor(s) or trustor(s)
Irrevocable Trust	Name(s) of trustee(s)
Church/Charitable/Religious Organization	Names of governing board or board of directors
Nonprofit	
Not-for-Profit	
Government Agency	Names of the governing body such as board of city or county commissioners

5. **FEIN:** Provide the 9-digit Federal Employer Identification Number for each business entity.
6. **Risk ID Number:** Provide the 9-digit NCCI Risk Identification Number for each business entity, if applicable.
7. **Policy Number:** Provide the most recent policy number for each business entity. The complete policy number is required (including any prefixes or suffixes).
8. **Policy Effective Date:** Provide the effective date for the most recent policy for each business entity.
9. **Contact Name:** List the contact name for a representative of each entity who can provide additional ownership information if needed.
10. **Contact Phone/Email:** List the contact phone number and/or email for a representative of each entity who can provide additional ownership information if needed.

➤ **Section E—Certification**

The form must be signed by an owner, partner, member, or executive officer of one of the entities. This section is required to certify that the information contained on the ERM-14 Form is complete and correct.

Webinars

To view Webinars on Demand that cover experience rating ownership and the ERM-14 Form, click the links below or go to ncci.com, click **Learning Center**, and scroll down to **Experience Rating Series**.

- [How to Complete the ERM-14 Form—Webinar on Demand](#)
- [Experience Rating Ownership—Webinar on Demand](#)