



Merchants Mutual Insurance Company
Merchants Preferred Insurance Company

WORKERS' COMPENSATION
GENERAL ELIGIBILITY AND AGENTS BINDING AUTHORITY

MA, NH, NJ, NY, VT

It is our intent to write Workers' Compensation coverage in conjunction with our other lines of business. Agents are encouraged to bind and submit coverage on selected mercantile, service, office and contracting risks per the eligible class listing in this manual. Other risks require approval prior to binding.

When written in conjunction with an eligible BOP, MAP Contractors or Commercial Package Policy, you are granted binding authority for the classes listed in the "Classes Eligible for Binding" section of this manual. In addition, the following company specific eligibility requirements are applicable.

Category	Mutual	Preferred
Loss Ratio	3 year loss ratio under 50% supported with currently valued hard copy loss runs or signed verification of loss statement.	3 year loss ratio under 35% supported with currently valued hard copy loss runs or signed verification of loss statement.
Ownership or Management Experience	Three years ownership or management experience in the industry or trade.	The applicant must have been in business for three years as owner of this business.
Experience Modification	Experience modification less than or equal to 1.05	No binding authority for debit mods (must be referred to Company)
Minimum Premium: State Bureau imposed minimum premiums per class or policy still apply	No Restriction	\$500
Coverage for Owners, Officers, Partners, and Family Members	Owners, officers, partners and family members may not represent more than 25% of the total premium basis. Do not include payroll for excluded individuals in the calculation	
Persons who drive in the course of employment	Favorable driver MVR profile per current company underwriting guidelines. Please refer to company commercial automobile guidelines in the agents' section of "My Merchants" at www.merchantsgroup.com	
Additional Class Requirements	See included list.	

Any risk that does not meet the above guidelines cannot be bound without prior approval from the Company. Classes not on the attached listing may be submitted on an inquiry basis when associated with an eligible BOP, MAP Contractors or Commercial Package Policy.

INELIGIBLE

No Authority is granted to bind the following:

1. Unsupported Workers Compensation coverage
2. Risks with more than 15 employees at any one location
3. Risk performing work at heights greater than 2 ½ stories
4. Underground work greater than 12 feet including tunneling, mining, quarrying and excavation
5. Employee leasing
6. Risks with high hazards or unusual exposure – when in doubt – submit risk to the company for approval before binding
7. Manufacturing risks
8. Carpentry and related trades such as roofing
9. Cabinet installation
10. Ceiling or wall installation
11. Drywall installation
12. Siding installation
13. Sheet metal work (except in conjunction with heating and cooling operations)