



Minnesota Workers' Compensation  
Insurers Association, Inc.  
7701 France Avenue South • Suite 450  
Minneapolis, MN 55435-3203

July 31, 2015

**ALL ASSOCIATION MEMBERS**

Circular Letter No. 15-1672

**RE: NCCI Item B-1428—Revisions to the *Minnesota Basic Manual Classifications* and  
Appendix E—Classification by Hazard Group**

The Minnesota Department of Commerce has approved the above filing to become effective, 12:01 a.m., January 1, 2016, for new and renewal policies issued on and after 12:01 a.m.

This item revises the phraseology and formatting of certain classifications in the *Minnesota Basic Manual for Workers' Compensation and Employers Liability Insurance* as outlined below.

Here is a list of the industries that will incur Manual changes as a result of Filing Item B-1428:

Exhibit 1A-

Precision Machined Parts Mfg.

1. Revise Code 3629 to remove the word "Precision".
2. Remove the tolerance requirements.
3. Establish new criteria for the code.

Exhibit 1B-

Additive Manufacturing

1. Establish a new cross-reference phraseology for Additive Manufacturing NOC-No Assembly under Code 3629.

Exhibits 1C-E

Revise certain phraseologies for Code 3632 to clarify that the code applies only to shop operations performed on the premises of the employer and to the manufacture or repair of machines, the repair of engines that have been removed from the vehicle by others, and general job machining:

1. Code 3632-Machine Shop NOC
2. Code 3632-Tool Sharpening- Industrial Tools
3. Code 3632-Automotive- Machine Shop

Exhibits 2A-B

Amend the phraseology of Codes 8013 and 8832 to address Optical Goods businesses:

1. Revise Code 8013-Optical Stores to clarify that this code applies when the gross receipts from the sale of eyewear are more than 50%.
2. Revise Code 8832-Physicians & Clerical to clarify that this code includes the sale of eyewear when the gross receipts from the sale of eyewear are 50% or less.

Exhibit 3A-

Amend the phraseology of Code 5057 to remove "Steel Frame- Interior-Light Gauge Steel".

Exhibit 3B-

Clarifies the proper classification wording for Codes, 8726F, 8709F, and 8719.

Please note that Exhibits 3C-D have been incorporated into Exhibit 3B. Exhibits 4A-D & Exhibit 5 are N/A in MN.

Exhibits 1A, 1B, 1C, 1D, 1E, 2A, 2B, 3A, 3B, illustrate all necessary changes to the **Minnesota Basic Manual**. As in past filings, strikethroughs indicate deleted text and underlining indicates new or added text. A copy of National Council's original filing memorandum is also included.

Please direct any questions you may have concerning this item to MWCIA's Underwriting staff at 952.897.1737 (Option 1) or via email at [underwriting@mwcia.org](mailto:underwriting@mwcia.org).

Exhibit I A

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

Effective January 1, 2016

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
3629	<del>PRECISION MACHINED PARTS MFG. NOC.</del> Applies only to risks where the plans or specifications require that not less than 50% of all machining machined products manufactured by the risk shall be held to final tolerances of .001" or closer, or be performed with numerically controlled machines. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3629 are conducted as a separate and distinct business.	3629	<b>MACHINED PARTS MFG. NOC</b> Applies only to <u>employers that machine single-piece parts for others that meet all of the following conditions:</u> 1. <u>The employer's operations are not described by another classification.</u> 2. <u>The machined parts manufactured by the employer are not described by another classification.</u> 3. <u>The employer does not assemble any single-piece machined parts into end-product components. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.</u> 4. <u>The employer does not perform casting, forging, stamping, forming, or fabrication.</u>	AMENDS THE PHRASEOLOGY OF CODE 3629.

**Exhibit I B**

*Minnesota Basic Manual*

**PART TWO — CLASSIFICATIONS**

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
3629	NONE	<u>3629</u>	<p><b><u>ADDITIVE MANUFACTURING NOC—NO ASSEMBLY</u></b></p> <p><u>Applies to employers that manufacture single-piece parts for others using 3D printers or similar equipment. Also applies to finished products with multiple parts when the products are manufactured by 3D printers or similar equipment and require no additional assembly. The operations must meet all of the following conditions:</u></p> <p><u>1. The employer’s operations are not described by another classification.</u></p> <p><u>2. The parts or finished products manufactured by the employer are not described by another classification.</u></p> <p><u>3. The employer does not perform assembly operations. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.</u></p> <p><u>4. The employer does not perform casting, forging, stamping, forming, or fabrication.</u></p>	<p>ADDS NEW HEADING UNDER CODE 3629.</p>

**Exhibit IC**

*Minnesota Basic Manual*

**PART TWO — CLASSIFICATIONS**

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
3632	<b>MACHINE SHOP NOC.</b> Foundry operations to be separately rated.	3632	<b>MACHINE SHOP NOC.</b> Foundry operations to be separately rated. <u>Code 3632 applies to the manufacture or repair of machines, as well as to general job machining that is not otherwise classified. Applies only to shop operations performed on the premises of the employer.</u>	AMENDS PHRASEOLOGY OF CODE 3632.

Exhibit I D

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

Effective January 1, 2016

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
	<b>AUTOMOTIVE</b>		<b>AUTOMOTIVE</b>	
3632	<b>MACHINE SHOP.</b> No work on vehicles. Applies to operations involving the repair of parts that have been removed from the vehicle by others. <del>Shall</del> not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3632 are conducted as a separate and distinct business.	3632	<b>MACHINE SHOP.</b> No work on vehicles. Applies to operations involving the repair of parts <u>or engines</u> that have been removed from the vehicle by others. <u>Must</u> not be assigned to <u>an employer that performs</u> operations described by another classification unless the operations subject to Code 3632 are conducted as a separate and distinct business. <u>Applies only to shop operations performed on the premises of the employer.</u>	AMENDS PHRASEOLOGY OF CODE 3632.

**Exhibit I E**

*Minnesota Basic Manual*

**PART TWO — CLASSIFICATIONS**

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
3632	TOOL SHARPENING—INDUSTRIAL TOOLS	3632	TOOL SHARPENING—INDUSTRIAL TOOLS— <b>SHOP ONLY</b> <u>Applies only to shop operations performed on the premises of the employer. Tool sharpening operations performed at the customer's location to be separately rated.</u>	AMENDS PHRASEOLOGY OF CODE 3632

**Exhibit II A**

**Minnesota Basic Manual**

**PART TWO — CLASSIFICATIONS**

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
8013	<b>OPTICAL STORES.</b> Surface grinding of lens to be separately rated as Code 4150—Optical goods mfg. NOC.	8013	<b>OPTICAL STORES.</b> <u>Optical stores that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Refer to Code 8832 when gross receipts from the sale of eyewear are 50% or less.</u> Surface grinding of lenses to be separately rated as Code 4150 —Optical goods mfg. NOC.	ADDS CLARIFYING LANGUAGE REGARDING THE SALE OF OPTICAL GOODS.



Exhibit II B

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

Effective January 1, 2016

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
8832	<p><b>PHYSICIAN &amp; CLERICAL.</b> Employees engaged in any type of service in or about premises, other than premises used for professional purposes, are to be separately rated. Does not apply where inpatient overnight care is provided. See <b>Classification Interpretations Section.</b></p> <p>Independent medical testing labs that analyze medical specimens are assigned to Code 4511. Testing labs that are not independent but part of a medical facility or physician's office must be also classified to Code 8832.</p>	8832	<p><b>PHYSICIAN &amp; CLERICAL.</b> Employees engaged in any type of service in or about premises, other than premises used for professional purposes, are to be separately rated. Does not apply where inpatient overnight care is provided. See <b>Classification Interpretations Section.</b></p> <p>Independent medical testing labs that analyze medical specimens are assigned to Code 4511. Testing labs that are not independent but part of a medical facility or physician's office must be classified to Code 8832</p> <p><u>Physicians' offices that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Refer to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Surface grinding of lenses to be separately rated as Code 4150.</u></p>	<p>ADDS CLARIFYING LANGUAGE REGARDING THE SALE OF OPTICAL GOODS.</p>

**Exhibit II B**

*Minnesota Basic Manual*

**PART TWO — CLASSIFICATIONS**

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
8832	OPTICAL— <del>INCLUDING GRINDING OF LENSES TO FIT FRAMES</del>	8832	OPTICAL— <u>Physicians' offices that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Refer to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Includes incidental grinding of lenses to fit frames.</u>	ADDS CLARIFYING LANGUAGE REGARDING THE SALE OF OPTICAL GOODS.

Exhibit III A

*Minnesota Basic Manual*  
 CLASSIFICATIONS TO BE REFORMATTED  
 PART TWO — CLASSIFICATIONS

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
	<del>IRON OR STEEL</del>			
	<del>ERECTION:</del>			
	<del>STEEL FRAME- INTERIOR LIGHT GAUGE STEEL:</del>			
5057	NOC.	5057	IRON OR STEEL ERECTION- NOC.	AMEND PHRASEOLOGY AND FORMATTING OF CODE 5057

Exhibit III B

*Minnesota Basic Manual*  
 CLASSIFICATIONS TO BE REFORMATTED

PART TWO — CLASSIFICATIONS

**Effective January 1, 2016**

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		COMMENTS
Code No.	Classification	Code No.	Classification	
	<b>STEAMSHIP LINE OR AGENCY—PORT EMPLOYEES</b>		<b>SAME</b>	
<b>8726</b>	SUPERINTENDENTS, CAPTAINS, ENGINEERS, STEWARDS OR THEIR ASSISTANTS, PAY CLERKS, TALLIERS, CHECKING CLERKS, AND EMPLOYEES ENGAGED IN MENDING OR REPACKING OF DAMAGED CONTAINERS:	<b>8726</b>	SUPERINTENDENTS, CAPTAINS, ENGINEERS, STEWARDS OR THEIR ASSISTANTS, PAY CLERKS	AMEND PHRASEOLOGY
<b>8709F</b>	<b>COVERAGE UNDER U.S. ACT</b>	<b>8709</b>	<b>SAME</b>	
<b>8719</b>	<b>COVERAGE UNDER STATE ACT ONLY</b>	<b>8719</b>	<b>SAME</b>	



**National Council on Terri Robinson Compensation Insurance** State Relations Executive  
Regulatory Services Division

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Email:

Terri\_Robinson@ncci.com

December 1, 2014

Mr. Brandon Miller, President  
Minnesota Workers' Compensation Insurers Association  
7701 France Avenue South, Suite 450  
Minneapolis, Minnesota 55435-3200

Re: **Item R-1428—Revisions to Basic Manual Classifications and Appendix E—  
Classifications by Hazard Group**

Dear Mr. Miller:

We are filing the above captioned item in a number of NCCI jurisdictions. The attached filing memorandum describes the proposed changes.

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NCCI maintains a report for use by our common members that contains the approval status of national and state item filings (*Status of Item Filings Circular*). Please notify Michelle Smith by phone (561-893-3016) or e-mail (michelle\_smith@ncci.com) if your organization files and receives approval of this item. This information will be reflected in the *Status of Item Filings Circular*, which is located on our web site and to which you have been given access.

Sincerely,

A handwritten signature in black ink that reads "Terri Robinson". The signature is written in a cursive, flowing style with a small dash above the "i" in Robinson.

Terri Robinson  
State Relations Executive

TR:ah

## Attachment

2400 Crestwood Road, Suite 207  
North Little Rock, AR 72116  
**[www.ncci.com](http://www.ncci.com)**

FILING MEMORANDUM

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP

PURPOSE

This item revises, establishes, and eliminates certain classifications in NCCI's *Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)* and statistical codes in NCCI's *Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan)* to reflect current business and industry needs. The industries, manuals, and states impacted by this item and the applicable exhibits are shown in the table below:

Exhibits	Fact Sheet	Exhibit	Proposal Applicable in:
Machine Shops	1	1A	All states except IL, VA
		1B	All states except VA
		1C	All states except IL, OR, VA
		1D	All states except VA
		1E	All states except VA
Optical Stores	2	2A	All states except NH, VA
		2B	All states except NH, VA
Classifications to Be Reformatted	3	3A	All states except VA
		3B	All states except AZ, VA
		3C	All states except DC, VA
		3D	All states except VA
State Special Classifications With Zero Credibility to Be Eliminated	4	4A	AL, CT, GA, IL, KY, LA, MD, ME, MO, NC, NV, OK, OR, SC, TN, UT
Statistical Plan Coding Values		4B	CT, GA, UT
Assigned Carrier Performance Standards		4C	GA
Basic Manual Appendix E—Table of Classifications by Hazard Group		4D	AL, CT, GA, IL, KY, LA, MD, ME, MO, NC, NV, OK, OR, SC, TN, UT, VA
State-Specific Exhibits	1, 2, 3, 4	5	IL, NH, VA

BACKGROUND

This item includes proposals for the individual classifications identified in each exhibit, including format and consistency changes, if applicable. The background information is contained in each exhibit's fact sheet, as shown in the above table.

NCCI's analysis of the classification system is national in scope. NCCI also recognizes the occasional need for state-specific classification treatments to reflect geographical differences, and such treatments are also included in this item.

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## FILING MEMORANDUM

### ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

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#### PROPOSAL

This item is presented in exhibits as shown in the above table. Each exhibit's fact sheet outlines the proposals relating to the industry in that exhibit, as well as the background and basis for the proposed changes, the estimated impact of the proposals, and the details of implementation.

The proposed changes have been consolidated for display purposes only. Exhibits may display several revised, established, and eliminated phraseologies. These phraseologies should each be viewed as individual changes to *Basic Manual* content.

#### IMPACT

This item will support the uniform and equitable treatment of employers within each industry. NCCI recognizes that some recommendations, such as moving a specific operation from one classification to another, may have a premium impact for particular employers. Additionally, some of the changes proposed may have a loss cost/rate impact. The fact sheet for each exhibit details the potential impacts specific to each of the proposed changes.

#### IMPLEMENTATION

This item is applicable to new and renewal policies, and it will become effective concurrent with each state's approved loss cost/rate filing effective on and after October 1, 2015, unless otherwise noted. For example, this item will become effective October 1, 2015, for approved loss cost/rate filings that have an October 1, 2015 effective date. If there is no loss cost/rate filing for a state in a given year, this item will take effect on that state's normal loss cost/rate effective date. The normal loss cost/rate effective date is the anniversary date of the state's previous years' loss cost/rate effective date.

#### Anticipated Effective Dates by State

The following chart shows the anticipated effective dates for each state:

State	Anticipated* Effective Date
Alabama	March 1, 2016
Alaska	January 1, 2016
Arizona	January 1, 2016
Arkansas	July 1, 2016
Colorado	January 1, 2016
Connecticut	January 1, 2016
District of Columbia	November 1, 2015

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FILING MEMORANDUM

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP

Florida	The effective date of this item will depend on the date regulatory approval is granted. If the item is approved on or before July 1, 2015, it will become effective January 1, 2016. If it is approved after July 1, 2015, it will become effective January 1, 2017.
Georgia	March 1, 2016
Hawaii	This item will be implemented in Hawaii's loss cost filing proposed to be effective January 1, 2016. The effective date will be determined upon regulatory approval of the individual carrier's election to adopt this change.
Idaho	January 1, 2016
Illinois	January 1, 2016
Indiana	January 1, 2016
Iowa	January 1, 2016
Kansas	January 1, 2016
Kentucky	October 1, 2015
Louisiana	May 1, 2016
Maine	April 1, 2016
Maryland	January 1, 2016
Mississippi	March 1, 2016
Missouri	January 1, 2016
Montana	July 1, 2016
Nebraska	February 1, 2016
Nevada	March 1, 2016
New Hampshire	January 1, 2016
New Mexico	January 1, 2016
North Carolina	April 1, 2016
Oklahoma	January 1, 2016
Oregon	January 1, 2016
Rhode Island	August 1, 2016
South Carolina	September 1, 2016

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FILING MEMORANDUM

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP

South Dakota	July 1, 2016
Tennessee	March 1, 2016
Utah	December 1, 2015
Vermont	April 1, 2016
Virginia	April 1, 2016
West Virginia	November 1, 2015

\* Subject to change.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit	Exhibit Comments	Implementation Summary
1A — 1E	Details the revisions to national phraseologies for Machine Shops. Refer to Fact Sheet 1 for purpose, background, proposal, and impact.	Revises NCCI's <i>Basic Manual</i> .
2A — 2B	Details the revisions to national phraseologies for Optical Stores and Physician & Clerical. Refer to Fact Sheet 2 for purpose, background, proposal, and impact.	
3A — 3D	Details the revisions to the formatting of several classifications. Refer to Fact Sheet 3 for purpose, background, proposal, and impact.	
4A — 4D	Details the elimination of state special classifications with zero credibility. Refer to Fact Sheet 4 for purpose, background, proposal, and impact.	Revises NCCI's <i>Basic Manual</i> , <i>Statistical Plan</i> , and <i>Assigned Carrier Performance Standards—2009 Edition</i> .
5	Details the revisions to state special phraseologies for IL, NH and VA.	Revises NCCI's <i>Basic Manual</i> .

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**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 1—FACT SHEET****MACHINE SHOPS****PURPOSE**

The purpose of the proposed changes for this industry is to revise the classification treatment for machine shops that manufacture parts for others.

**BACKGROUND**

An analysis of inspections completed under NCCI's Classification Inspection Program identified Code 3629—Precision Machined Parts Mfg. NOC as a frequently reclassified code. The majority of employers that are reclassified from Code 3629 to Code 3632—Machine Shop NOC do not meet the criteria for assignment to Code 3629. This is mainly due to the emphasis that is placed on the tolerances in the machining process rather than the finished product.

Code 3629—Precision Machined Parts Mfg. NOC was established in 1943 to address manufacturing shops that specialized in the production of high precision small parts and assemblies. These parts were directly related to the manufacture of arms, aircraft, or similar apparatus to be used in World War II.

Inspectors, agents, auditors, and employers can rarely verify the percentage of machining operations that meet the tolerance requirements, even when plans and specifications are provided by the employer. Plans and specifications only detail the final tolerance required for the part, not the tolerance for each machining operation in the process. Business owners typically do not track machining operations.

Placing the emphasis on tolerances alone may lead to misclassification to Code 3629. For example, consider a gear manufacturer that produces gears that are held to strict tolerances. If every gear produced is held to a .001-inch tolerance or better, the business may be misclassified to Code 3629 if the emphasis is placed on tolerances alone. Because the finished part is best described by another code, the business in this example should be classified to Code 3635—Gear Mfg. or Grinding. This is because NCCI's *Basic Manual* provides that it is the business of the employer within a state that is classified, not separate employments, occupations, or operations within the business.

Code 3629 is intended to apply to manufacturers that produce single-piece parts. Welding and assembly are secondary operations that would not be performed when making single-piece parts.

Code 3629 references the tolerance requirement:

Applies only to risks where the plans or specifications require that not less than 50% of all machining operations performed by the risk shall be held to final tolerances of .001 inches or closer. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 3629 are conducted as a separate and distinct business.

Code 3632 is intended to apply to the manufacture or repair of machines, the repair of parts, the repair of engines that have been removed from the vehicle by others, and general job machining. Code 3632 is also intended to apply to operations performed only in an employer's shop. It is not intended for mobile operations performed away from the employer's location.

Mechanical equipment has changed over the years. Businesses are able to cut metal using equipment such as computer numeric controlled (CNC) machines, plasma cutters, laser cutters, electric discharge machines (EDM), and water jet cutters. Traditional job shops are now able to produce precision parts without additional

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 1—FACT SHEET (CONT'D)**

machining operations. In many cases, precision parts manufacturing shops still rely on secondary operations such as grinding to attain final tolerance.

Additive manufacturing, also known as 3D printing, is an emerging technology that simplifies the manufacturing process. NCCI uses the term “additive manufacturing” to avoid any confusion with traditional printing operations. NCCI recognizes that the treatment of this new manufacturing method needs to be addressed within the classification system. Additive manufacturing allows for the highly automated production of parts using a base material, such as plastic, wood, or metal, and a binder or adhesive. Thin layers of material are placed on top of each other using computer-controlled distribution. The base material is built up by adding the binder between each layer. The process is repeated until the part is complete. By adding only enough material that is needed to complete the part, the process results in little to no waste.

Additive manufacturing machines are capable of producing any type of part that can be programmed into the computer. This is a “clean” type of manufacturing since almost all of the work is performed by the machine. Work areas are clean and free of debris such as metal shavings, dirt, and grease found in traditional manufacturing plants. It is expected that most of the staff needed to support this technology will be in the areas of design and computer programming, with minimal production work done by individuals.

The existing classification system is able to accommodate many of the changes that additive manufacturing is expected to produce. Code 3629 must not be assigned to additive manufacturing operations that produce parts described by another code. Code 3629 must only be assigned when the parts manufactured are varied and no single code better describes the operation. For example, an automobile manufacturer would continue to be assigned to the automobile manufacturing code even if the majority of its parts are made using the additive manufacturing process.

**PROPOSAL**

1. Revise Code 3629—Precision Machined Parts Mfg. NOC to:
  - Remove the word “Precision”
  - Remove the tolerance requirements
  - Establish new criteria for the code
2. Establish a new cross-reference phraseology for Additive Manufacturing NOC—No Assembly under Code 3629.
3. Revise the following phraseologies for Code 3632 to clarify that the code applies only to shop operations performed on the premises of the employer and to the manufacture or repair of machines, the repair of parts, the repair of engines that have been removed from the vehicle by others, and general job machining:
  - Code 3632—Machine Shop NOC
  - Code 3632—Tool Sharpening—Industrial Tools
  - Code 3632—Automotive—Machine Shop

**IMPACT**

No changes are proposed to the loss costs/rates for Codes 3629 and 3632. As a result of the changes proposed in this item, it is possible that individual employers may experience an increase or decrease in premium from the transfer of payroll to or from Codes 3629 and 3632. It is not possible to determine the number of employers that may be impacted by this change. The impact to individual employers will depend on the amount of payroll that transfers between the codes.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 1—FACT SHEET (CONT'D)**

**STATE-SPECIFIC PROPOSALS AND IMPACTS**

**Illinois Proposal:**

NCCI recommends that Illinois adopt the proposed national treatment for Codes 3629 and 3632 and eliminate the state special requirement for Code 3629 that 50% or more of the parts produced require a machined tolerance of .001 or closer:

Code 3629—Precision Machined Parts Mfg. NOC

**Illinois Impact:**

The premium impact in Illinois is expected to be the same as the proposed national treatment.

**Virginia Proposal:**

Virginia's current treatment of Codes 3629 and 3632 is the same as the current national treatment. NCCI recommends that Virginia adopt the proposed national treatment for Codes 3629 and 3632. Accordingly, the Virginia Special Classifications in NCCI's *Basic Manual* will be updated for the following code(s):

- Code 3629—Precision Machined Parts Mfg. NOC
- Code 3629—Additive Manufacturing NOC—No Assembly
- Code 3632—Machine Shop NOC
- Code 3632—Automotive—Machine Shop
- Code 3632—Tool Sharpening—Industrial Tools

**Virginia Impact:**

The premium impact in Virginia is expected to be the same as the proposed national treatment.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 1A—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
MACHINE SHOPS  
PART TWO—CLASSIFICATIONS

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

**3629**      **PRECISION MACHINED PARTS MFG. NOC-**

Applies only to employers that machine single-piece parts for others that meet all of the following conditions: risks where the plans or specifications require that not less than 50% of all machining operations performed by the risk shall be held to final tolerances of .001" or closer. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3629 are conducted as a separate and distinct business.

1. The employer's operations are not described by another classification.
2. The machined parts manufactured by the employer are not described by another classification.
3. The employer does not assemble any single-piece machined parts into end-product components. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.
4. The employer does not perform casting, forging, stamping, forming, or fabrication.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 1B—NATIONAL CLASSIFICATIONS

BASIC MANUAL—2001 EDITION

MACHINE SHOPS

PART TWO—CLASSIFICATIONS

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

**3629**     **ADDITIVE MANUFACTURING NOC—NO ASSEMBLY**

Applies to employers that manufacture single-piece parts for others using 3D printers or similar equipment. Also applies to finished products with multiple parts when the products are manufactured by 3D printers or similar equipment and require no additional assembly. The operations must meet all of the following conditions:

1. The employer's operations are not described by another classification.
2. The parts or finished products manufactured by the employer are not described by another classification.
3. The employer does not perform assembly operations. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.
4. The employer does not perform casting, forging, stamping, forming, or fabrication.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 1C—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
MACHINE SHOPS

PART TWO—CLASSIFICATIONS

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

**3632 MACHINE SHOP NOC-**

Foundry operations to be separately rated. Code 3632 applies to the manufacture or repair of machines, as well as to general job machining that is not otherwise classified. Applies only to shop operations performed on the premises of the employer.



ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 1D—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
MACHINE SHOPS  
PART TWO—CLASSIFICATIONS

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

**AUTOMOTIVE**

**3648**      ~~Lighting, Ignition, or Starting Apparatus Mfg. NOG~~

**3632**      ~~Machine Shop.~~ No work on vehicles. Applies to operations involving the repair of parts that have been removed from the vehicle by others. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3632 are conducted as a separate and distinct business.

**3648**      **AUTOMOTIVE—LIGHTING, IGNITION, OR STARTING APPARATUS MFG. NOC**

**3632**      **AUTOMOTIVE—MACHINE SHOP**

No work on vehicles. Applies to operations involving the repair of parts or engines that have been removed from the vehicle by others. ~~Shall~~ Must not be assigned to a risk engaged in an employer that performs operations described by another classification unless the operations subject to Code 3632 are conducted as a separate and distinct business. Applies only to shop operations performed on the premises of the employer.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 1E—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
MACHINE SHOPS  
PART TWO—CLASSIFICATIONS

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

**3632**      **TOOL SHARPENING—INDUSTRIAL TOOLS—SHOP ONLY**

Applies only to shop operations performed on the premises of the employer. Tool sharpening operations performed at the customer's location to be separately rated.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 2—FACT SHEET****OPTICAL STORES****PURPOSE**

The purpose of the proposed changes for this industry is to revise Code 8013—Optical Stores and Code 8832—Physician & Clerical to address the sale of eyewear.

**BACKGROUND**

Historically, ophthalmologists and optometrists functioned in a physician's office where clients would be examined, diagnosed, and treated. Both ophthalmologists and optometrists examine and diagnose eye diseases and related systemic conditions such as hypertension and diabetes, treat visual conditions such as nearsightedness, and write prescriptions. The main distinction is that ophthalmologists are accredited medical doctors and may perform surgery or eye research.

Once the patient has been issued a prescription, an optician will fill the prescription. Opticians generally learn their skill on the job, although some states have licensing requirements. Opticians manage an optical center that dispenses eyeglasses, contact lenses, and other accessories.

In the 1970s, the industry began to change. Large, one-stop-shopping optical centers emerged. These stores generally have an affiliated optometrist or ophthalmologist on-site or next door to conduct eye exams and write prescriptions. The optometrist or ophthalmologist may own the optical store, work for the optical store, or be an affiliated doctor that leases space, equipment, etc., and conducts their practice from the optical store location. In such cases, they may receive support of the optical store staff, including an optician. The optician and staff assist the client with frame selection and fitting while the on-site lab grinds and mounts lenses.

In 1986, due to the evolving industry, the American Academy of Ophthalmology revised its policy and allowed ophthalmologists to sell the eyewear they prescribe. The Academy had previously considered this practice unethical. Now, the latest industry innovation involves warehouse shopping outlets or departments where optometrists are often on staff to conduct eye exams but the lenses and glasses will not be made while the customer waits. These operations send the eyewear to a lab and the customer returns to pick up their purchase.

The filed language of Codes 8013 and 8832 does not provide instruction for a business that dispenses optical goods. The amount or percentage of optical goods sold is not defined. NCCI's *Basic Manual* Rule 1-D-3-g provides that store operations are classified based on the principal type of merchandise sold. "Principal" means more than 50% of gross receipts, excluding receipts derived from the sale of lottery tickets. To ensure classification consistency, NCCI has determined that it is an appropriate application of Rule 1-D-3-g to determine the assignment of either Code 8013 or Code 8832. These two codes also refer to individual employments as a means of determining the classification, which has led to some classification inconsistency.

**PROPOSAL**

1. Revise Code 8013—Optical Stores to clarify that this code applies when the gross receipts from the sale of eyewear are more than 50%.
2. Revise Code 8832—Physician & Clerical to clarify that this code includes the sale of eyewear when gross receipts from the sale of eyewear are 50% or less.

**IMPACT**

No changes are proposed to the loss costs/rates for Codes 8013 and 8832. As a result of the changes proposed in this item, it is possible that individual employers may experience an increase or decrease in premium from the transfer of payroll to or from Codes 8013 and 8832. It is not possible to determine the number of employers that may be impacted by this change. The impact to individual employers will depend on the amount of payroll that transfers between the codes. Redefining Codes 8013 and 8832 may result in

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 2—FACT SHEET (CONT'D)**

the assignment of Code 8810—Clerical Office Employees NOC when all clerical conditions are met. This is because Code 8832 includes clerical employees while Code 8013 does not.

**STATE-SPECIFIC PROPOSALS AND IMPACTS**

**New Hampshire Proposal:**

NCCI recommends that New Hampshire adopt the national proposals for Codes 8013 and 8832 and eliminate the following state special phraseologies:

- Code 8013—Optical Stores
- Code 8832—Ophthalmologist or Optometrist & Clerical

**New Hampshire Impact:**

The premium impact in New Hampshire is expected to be the same as the proposed national treatment.

**Virginia Proposal:**

Virginia's current treatment of Codes 8013 and 8832 is the same as the current national treatment. NCCI recommends that Virginia adopt the proposed national treatment for Codes 8013 and 8832. Accordingly, the Virginia Special Classifications in NCCI's *Basic Manual* will be updated for the following codes:

- Code 8013—Optical Stores
- Code 8832—Physician & Clerical
- Code 4149—Optical Goods Mfg. NOC

**Virginia Impact:**

The premium impact in Virginia is expected to be the same as the proposed national treatment.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 2A—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
OPTICAL STORES

PART TWO—CLASSIFICATIONS

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

**8013◆ OPTICAL STORES**

Optical stores that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Refer to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Surface grinding of lenses to be separately rated as Code 4149.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 2B—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
OPTICAL STORES  
PART TWO—CLASSIFICATIONS

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

**8832      PHYSICIAN & CLERICAL**

Employees engaged in any type of service in or about premises, other than premises used for professional purposes, are to be separately rated. Does not apply where inpatient overnight care is provided.

Independent medical testing labs that analyze medical specimens are assigned to Code 4511. Testing labs that are not independent but part of a medical facility or physician's office must be ~~also~~ classified to Code 8832.

Physicians' offices that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Refer to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Surface grinding of lenses to be separately rated as Code 4149.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 3—FACT SHEET**

**CLASSIFICATIONS TO BE REFORMATTED**

**PURPOSE**

The purpose of the proposed changes is to revise the formatting of several classifications to make corrections to existing phraseologies.

**BACKGROUND**

NCCI has identified classifications that have been incorrectly formatted. Code 5057—Iron or Steel—Erection—Steel Frame—Interior—Light Gauge Steel—NOC must be revised to remove “Steel Frame—Interior—Light Gauge Steel” from the phraseology. The classification for Steamship Line or Agency—Port Employees must also be reformatted to clarify the proper classification wording for the following three codes:

**STEAMSHIP LINE OR AGENCY—PORT EMPLOYEES**

- |              |   |
|--------------|---|
| <b>8726F</b> | <b>Superintendents, Captains, Engineers, Stewards or Their Assistants, Pay Clerks Talliers, Checking Clerks, and Employees Engaged in Mending or Repacking of Damaged Containers:</b> |
| <b>8709F</b> | <b>Coverage Under U.S. Act</b>  |
| <b>8719</b>  | <b>Coverage Under State Act Only</b>  |

**PROPOSAL**

Revise the phraseology for:

1. Code 5057 to state Iron or Steel—Erection—NOC.
2. Code 8726F to state Steamship Line or Agency—Port Employees—Superintendents, Captains, Engineers, Stewards or Their Assistants, Pay Clerks.
3. Code 8709F to state Steamship Line or Agency—Port Employees—Talliers, Checking Clerks, and Employees Engaged in Mending or Repacking of Damaged Containers—Coverage Under U.S. Act.
4. Code 8719 to state Steamship Line or Agency—Port Employees—Talliers, Checking Clerks, and Employees Engaged in Mending or Repacking of Damaged Containers—Coverage Under State Act Only.

**IMPACT**

No changes are proposed to the loss costs/rates for Codes 5057 and 8726F.

As a result of the changes proposed in this item, it is possible that some payroll from Code 5057 could be transferred to codes with similar phraseology involving “Steel Frame, Interior, or Light Gauge Steel.” The impact to individual employers will depend on the amount of payroll that transfers from redefined Code 5057, as well as the associated loss cost/rate as compared to the newly classified code’s proposed loss cost/rate.

It is possible that some payroll from Code 8726F could be transferred to Code 8709F or Code 8719. The impact to individual employers will depend on the amount of payroll that transfers from redefined Code 8726F, as well as the associated loss cost/rate as compared to the newly classified code’s proposed loss cost/rate.

**STATE-SPECIFIC PROPOSALS AND IMPACTS**

No state-specific changes are proposed within this fact sheet.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 3A—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

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

5057• IRON OR STEEL—ERECTION—STEEL FRAME—INTERIOR—LIGHT GAUGE STEEL—NOC



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E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 3B—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

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

**STEAMSHIP LINE OR AGENCY—PORT EMPLOYEES**

8726F **STEAMSHIP LINE OR AGENCY—PORT EMPLOYEES—SUPERINTENDENTS, CAPTAINS,  
ENGINEERS, STEWARDS OR THEIR ASSISTANTS, PAY CLERKS ~~Tallies, Checking  
Clerks, and Employees Engaged in Mending or Repacking of Damaged Containers.~~**

8709F **Coverage Under U.S. Act**

8749 **Coverage Under State Act Only**

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 3C—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

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

8719 STEAMSHIP LINE OR AGENCY—PORT EMPLOYEES—TALLIERS, CHECKING  
CLERKS, AND EMPLOYEES ENGAGED IN MENDING OR REPACKING OF DAMAGED  
CONTAINERS—COVERAGE UNDER STATE ACT ONLY

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 3D—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

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

8709F     STEAMSHIP LINE OR AGENCY—PORT EMPLOYEES—TALLIERS, CHECKING  
CLERKS, AND EMPLOYEES ENGAGED IN MENDING OR REPACKING OF DAMAGED  
CONTAINERS—COVERAGE UNDER U.S. ACT

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP**

**EXHIBIT 4—FACT SHEET**

**STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED**

**PURPOSE**

The purpose of the proposed changes is to eliminate certain state special classifications in NCCI’s *Basic Manual* and corresponding statistical codes in the *Statistical Plan* that have zero credibility. This refers to classifications that are too small to develop meaningful data for ratemaking purposes even when national experience is used for classification relativity.

**BACKGROUND**

The workers compensation system groups employers with similar operations by classification so that loss costs and rates may be calculated to reflect overall employee exposure to injury. NCCI periodically reviews individual classifications and groups of classifications by industry to determine which, if any, should be considered for elimination because of zero credibility on a statewide or national basis.

NCCI has identified a number of state special classifications that have zero credibility on a statewide basis. In all cases, the classifications have not had payroll for the latest three policy periods used for ratemaking. These classifications should be eliminated and reassigned to other classifications with similar operations that are currently applicable in the states. In most cases, the proposed national classifications currently include the operations of the state special classifications to be eliminated. The reassignment of these classifications to existing, analogous classifications will result in the use of more credible data from which to calculate loss costs and rates.

**PROPOSAL**

1. Eliminate the state special classifications with zero credibility and no payroll for the latest three policy periods. Refer to Exhibit 4A.
2. Establish or propose existing classifications to replace the eliminated state special classifications. Refer to Exhibit 4A.
3. Revise NCCI’s *Statistical Plan*—Part 6—H—2—Premium Amount Not Subject to Experience Modification Factor to identify the eliminated statistical codes in Connecticut, Georgia, and Utah. Refer to Exhibit 4B.
4. Revise NCCI’s *Assigned Carrier Performance Standards—2009 Edition*—Part D—Loss Prevention Survey Table to identify the eliminated state special classifications in Georgia. Refer to Exhibit 4C.
5. Revise NCCI’s *Basic Manual* Appendix E—Table of Classifications by Hazard Group to identify the eliminated state special classifications. Refer to Exhibit 4D.

<b>State</b>	<b>State Special Classification to Be Eliminated</b>	<b>Proposed National Classification</b>
AL	1420—Slag Excavation & Drivers	1624—Slag Digging and Crushing & Drivers
IL	3565—Typewriter Mfg.	3574—Typewriter Mfg.
KY	3091—Enameled Ironware Mfg.	3081—Enameled Ironware Mfg.
KY	3565—Typewriter Mfg.	3574—Typewriter Mfg.
LA	6846F—Shipbuilding—Air Cushion Vehicles or Surface Effect Ships & Drivers	6845F—Shipbuilding—Naval & Drivers *
MD	4479—Button Mfg. NOC	4484—Button Mfg. NOC
MD	4536—Acid Mfg.	4829—Acid Mfg.
MD	4536—Vitriol Mfg.	4829—Vitriol Mfg.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

**EXHIBIT 4—FACT SHEET (CONT'D)**

State	State Special Classification to Be Eliminated	Proposed National Classification
MD	4584—Silica Gel Mfg.	4829—Chemical Mfg. NOC—All Operations & Drivers—Includes Blending or Mixing *
ME	4479—Button Mfg. NOC	4484—Button Mfg. NOC
MO	2352—Cordage, Rope, or Twine Mfg. NOC	2220—Cordage, Rope, or Twine Mfg. NOC
MO	2352—Rope, Cordage, or Twine Mfg. NOC	
MO	2352—Twine, Cordage, or Rope Mfg. NOC	
MO	7207—Club—Riding & Drivers	8279—Club—Riding & Drivers
MO	7207—Riding Academy or Club & Drivers	8279—Riding Academy or Club & Drivers
NC	1470—Coke Mfg. & Drivers	1472—Charcoal Mfg. & Drivers
NC	7323F—Stevedoring—Explosive Materials—Under Contract	Multiple equivalent national classifications under Stevedoring, depending on the method of stevedoring.
NV	9662—Nuclear Research—Atomic Energy Projects & Clerical, Salespersons	9984—Atomic Energy—Project Work
OK	1457—Chat Milling—All Employees & Drivers, Salespersons	1452—Ore Milling & Drivers
OK	2352—Cordage, Rope, or Twine Mfg. NOC	2220—Cordage, Rope, or Twine Mfg. NOC
OK	2352—Rope, Cordage, or Twine Mfg. NOC	
OK	2352—Twine, Cordage, or Rope Mfg. NOC	
OK	4673—Cottonseed Oil Mfg.—Solvent & Drivers	4670—Cottonseed Oil Mfg.—Solvent & Drivers
OR	9425—Cities—Over 100,000 Population—Composite Rate	9410—Municipal, Township, County, or State Employee NOC *
SC	3091—Enameled Ironware Mfg.	3081—Enameled Ironware Mfg.
TN	3565—Typewriter Mfg.	3574—Typewriter Mfg.
VA	2532—Millinery Mfg.	2501—Millinery Mfg.
VA	4479—Button Mfg. NOC	4484—Button Mfg. NOC

\* The indicated national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP**

**EXHIBIT 4—FACT SHEET (CONT'D)**

The following states have statistical codes associated with the proposed state special classification codes to be eliminated. The proposed national classification also has an associated statistical code.

State	State Special Classification or Statistical Code to Be Eliminated	Proposed National Classification or Statistical Code
CT	4767—Explosives or Ammunition Mfg.—Cartridge Mfg. or Assembly—Small Arms & Drivers	4771—Explosives or Ammunition Mfg.—NOC & Drivers *
CT	0767—Non-Ratable Portion of Class Code Rate	0771—Non-Ratable Portion of Class Code Rate **
GA	4758—Rocket Engine—Mfg.—Solid Propellant & Drivers	4771—Explosives or Ammunition Mfg.—NOC & Drivers
GA	4759—Rocket Engine—Ignitor Mfg. & Drivers	
GA	4774—Explosives or Ammunition Mfg.—Smokeless Powder Mfg.—Single Base & Drivers	
GA	4776—Explosives or Ammunition Mfg.—Projectile, Bomb, Mine, or Grenade Loading & Drivers	
GA	4799—Explosives or Ammunition Mfg.—Black Powder Mfg. & Drivers	0771—Non-Ratable Portion of Class Code Rate **
GA	0758—Non-Ratable Portion of Class Code Rate	
GA	0759—Non-Ratable Portion of Class Code Rate	
GA	0774—Non-Ratable Portion of Class Code Rate	
GA	0776—Non-Ratable Portion of Class Code Rate	
GA	0799—Non-Ratable Portion of Class Code Rate	
UT	4758—Rocket Engine—Mfg.—Solid Propellant & Drivers	4771—Explosives or Ammunition Mfg.—NOC & Drivers *
UT	4759—Rocket Engine—Ignitor Mfg. & Drivers	0771—Non-Ratable Portion of Class Code Rate **
UT	0758—Non-Ratable Portion of Class Code Rate	
UT	0759—Non-Ratable Portion of Class Code Rate	

\* The indicated national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

\*\* The indicated statistical code currently applies in CT, GA and UT. Therefore, the Statistical Plan Coding Values Exhibit does not include this code.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 4—FACT SHEET (CONT'D)**

**IMPACT**

No statewide premium impact is expected in the states where the zero credibility codes will be eliminated.

**Virginia Proposal:**

NCCI recommends that Virginia adopt the proposed national treatment for Code 2501—Millinery Mfg. and Code 4484—Button Mfg. NOC. Accordingly, the following phraseologies will be eliminated from the Virginia Special Classifications in NCCI's *Basic Manual*:

- Code 2532—Millinery Mfg.
- Code 4479—Button Mfg. NOC

**Virginia Impact:**

No statewide premium impact is expected in Virginia.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: AL)

1624     SLAG DIGGING AND CRUSHING & DRIVERS



ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: AL)

**4420 SLAG EXCAVATION & DRIVERS**

~~Includes loading of cars.~~

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: CT)

**EXPLOSIVES OR AMMUNITION MFG.**

- 3574** ~~EXPLOSIVES OR AMMUNITION MFG.—CARTRIDGE COMPONENT MFG.—SMALL ARMS Cartridge Component Mfg.—Small Arms.~~ Cartridge case mfg. to be separately rated as Code 3315. Insertion of percussion caps or primers, loading or testing with explosives to be separately rated.
- 4767** ~~Cartridge Mfg. or Assembly—Small Arms & Drivers.~~ Includes mfg. of metal components, mixing of fulminate, charging or loading. Explosive or fulminate mfg. to be separately rated. Code 0767 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0767 is not subject to experience rating or retrospective rating.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: GA)

**EXPLOSIVES OR AMMUNITION MFG.:**

**4771**

**NOC & Drivers.** Includes the following operations whether conducted by individual enterprises or as combined multiple enterprises: bag loading—propellant charges; black powder mfg.; cap, primer, fuse, booster, or detonator assembly; cartridge charging or loading; fireworks mfg.; high explosives mfg.; projectile, bomb, mine, or grenade loading; projectile or shell mfg.; shell case loading and smokeless powder mfg.—single base. Code 0771 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0771 is not subject to experience rating or retrospective rating.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: GA)**

- 4770**     **EXPLOSIVES OR AMMUNITION MFG.—BAG LOADING—PROPELLANT CHARGES & DRIVERS.**  
Code 0770 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0770 is not subject to experience rating or retrospective rating.
- 4779**     **EXPLOSIVES OR AMMUNITION MFG.—CAP, PRIMER, FUSE, BOOSTER, OR DETONATOR ASSEMBLY & DRIVERS.**  
Includes mixing of charges or loading. Explosive mfg. to be separately rated. Code 0779 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0779 is not subject to experience rating or retrospective rating.
- 4775**     **EXPLOSIVES OR AMMUNITION MFG.—CARTRIDGE CHARGING OR LOADING & DRIVERS.**  
Includes all operations involving the handling of explosives or mixing of fulminate. Explosive or fulminate mfg. to be separately rated. Code 0775 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0775 is not subject to experience rating or retrospective rating.
- 4779**     **EXPLOSIVES OR AMMUNITION MFG.—FIREWORKS MFG. & DRIVERS.**  
Fireworks exhibitions to be separately rated as Code 9180. Code 0779 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0779 is not subject to experience rating or retrospective rating.
- 4773**     **EXPLOSIVES OR AMMUNITION MFG.—HIGH EXPLOSIVES MFG. & DRIVERS.**  
Includes the manufacture of explosives recognized by the Bureau of Explosives as “High Explosives” such as dinitrotoluol, double-base powders, dynamite, fulminates, nitroglycerine, nitrostarch, picrates, picric acid, tetryl, and trinitrotoluol. Code 0773 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0773 is not subject to experience rating or retrospective rating.
- 4775**     **EXPLOSIVES OR AMMUNITION MFG.—SHELL CASE LOADING & DRIVERS.**  
Applies to 20 mm. and over and includes assembling with loaded projectile. Projectile or primer loading to be separately rated. Code 0775 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0775 is not subject to experience rating or retrospective rating.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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**EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: GA)**

**EXPLOSIVES OR AMMUNITION MFG.:**

- 4770 Bag Loading—Propellant Charges & Drivers.** Code 0770 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0770 is not subject to experience rating or retrospective rating.
- 4799 Black Powder Mfg. & Drivers.** Includes mixtures in which black powder is the principal ingredient. Code 0799 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0799 is not subject to experience rating or retrospective rating.
- 4779 Cap, Primer, Fuse, Booster, or Detonator Assembly & Drivers.** Includes mixing of charges or loading. Explosive mfg. to be separately rated. Code 0779 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0779 is not subject to experience rating or retrospective rating.
- 4775 Cartridge Charging or Loading & Drivers.** Includes all operations involving the handling of explosives or mixing of fulminate. Explosive or fulminate mfg. to be separately rated. Code 0775 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0775 is not subject to experience rating or retrospective rating.
- 4779 Fireworks Mfg. & Drivers.** Fireworks exhibitions to be separately rated as Code 9480. Code 0779 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0779 is not subject to experience rating or retrospective rating.
- 4773 High Explosives Mfg. & Drivers.** Includes the manufacture of explosives recognized by the Bureau of Explosives as “High Explosives” such as dinitrotoluol, double-base powders, dynamite, fulminates, nitroglycerine, nitrostarch, picrates, picric acid, tetryl, and trinitrotoluol. Code 0773 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0773 is not subject to experience rating or retrospective rating.
- 4776 Projectile, Bomb, Mine, or Grenade Loading & Drivers.** Cap, primer, fuse, booster, or detonator assembly to be separately rated as Code 4779. Code 0776 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0776 is not subject to experience rating or retrospective rating.
- 4775 Shell Case Loading & Drivers.** Applies to 20 mm. and over and includes assembling with loaded projectile. Projectile or primer loading to be separately rated. Code 0775 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0775 is not subject to experience rating or retrospective rating.
- 4774 Smokeless Powder Mfg.—Single Base & Drivers.** Includes the mfg. of pyro- or nitrocotton. High explosives mfg. to be separately rated as Code 4773. Code 0774 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0774 is not subject to experience rating or retrospective rating.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: GA)

**ROCKET ENGINE**

- 4759** ~~Ignitor Mfg. & Drivers.~~ Includes mixing of charge and loading. Applicable only to the manufacture of ignitors for solid propellant rockets or missiles.  
Code 0759 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0759 is not subject to experience rating or retrospective rating.
- 4758** ~~Mfg.—Solid Propellant & Drivers.~~ Ignitor and warhead loading to be separately rated.  
Code 0758 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0758 is not subject to experience rating or retrospective rating.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: IL)

3574     TYPEWRITER MFG.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: IL)

3565      ~~TYPEWRITER MFG.~~



ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: KY)

3081     ENAMELED IRONWARE MFG.  
3574     TYPEWRITER MFG.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: KY)

~~3094~~      ~~ENAMELED IRONWARE MFG.~~  
~~3565~~      ~~TYPEWRITER MFG.~~

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: LA)

**6846F SHIPBUILDING—AIR CUSHION VEHICLES OR SURFACE EFFECT SHIPS & DRIVERS**

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: MD)

4484 BUTTON MFG. NOC

4829 ACID MFG.

4829 VITRIOL MFG.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: MD)

4479     ~~BUTTON MFG. NOG~~  
4536     ~~ACID MFG.~~  
4584     ~~SILICA GEL MFG.~~  
4536     ~~VITRIOL MFG.~~

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: ME)

4484      BUTTON MFG. NOC

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: ME)

4479      ~~BUTTON MFG. NOG~~

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: MO)

2220     CORDAGE, ROPE, OR TWINE MFG. NOC

8279■    CLUB—RIDING & DRIVERS

Clubs employing only clerical office employees shall be classified as Code 8810—Clerical Office Employees.

8279■    RIDING ACADEMY OR CLUB & DRIVERS



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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: MO)

~~2352~~      ~~GORDAGE, ROPE, OR TWINE MFG. NOG~~  
~~2352~~      ~~ROPE, GORDAGE, OR TWINE MFG. NOG~~  
~~2352~~      ~~TWINE, GORDAGE, OR ROPE MFG. NOG~~  
~~7207~~      ~~CLUB—RIDING & DRIVERS~~  
~~7207~~      ~~RIDING ACADEMY OR CLUB & DRIVERS~~

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: NC)

1472      CHARCOAL MFG. & DRIVERS  
Includes distillation.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: NC)

**4470**     ~~COKE MFG. & DRIVERS.~~

~~Applies to beehive or by-product oven methods.~~

**7323F**     ~~STEVEDORING: EXPLOSIVE MATERIALS—UNDER CONTRACT.~~

~~Includes the handling of ammunition. Code 0763F shall be assigned in conjunction with this code to reflect the non-ratable catastrophe loading. Premium generated by Code 0763F is not subject to experience or retrospective rating.~~

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: NV)

**9984**      **ATOMIC ENERGY—PROJECT WORK**

All work, either construction or operation, performed for or under the direction of the Nuclear Regulatory Commission or any government agency, may be rated on an individual risk basis. The rate shall be agreed upon by the carrier, the contractor, and the Nuclear Regulatory Commission or government agency.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: NV)

9662      NUCLEAR RESEARCH—ATOMIC ENERGY PROJEGTS & CLERICAL, SALESPERSONS

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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**EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: OK)**

**1452     ORE MILLING & DRIVERS**

Includes concentration or amalgamation. Codes 1452 and 1430 or 1438—Smelting, sintering, or refining shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

**2220     CORDAGE, ROPE, OR TWINE MFG. NOC**

**4670     COTTONSEED OIL MFG.—SOLVENT & DRIVERS**

Applies during both active and dormant seasons. Includes installation or repair of equipment, yard workers, weighers, seed or fuel haulers.

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E—CLASSIFICATIONS BY HAZARD GROUP

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: OK)

- 4457**     **CHAT MILLING—ALL EMPLOYEES & DRIVERS, SALESPERSONS**  
Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 4457 are conducted as a separate and distinct business. Applicable to mills engaged in the milling of residue from lead and zinc mine mills.
- 2352**     **GORDAGE, ROPE OR TWINE MFG. NOG**
- 2352**     **ROPE, GORDAGE OR TWINE MFG. NOG**
- 2352**     **TWINE, GORDAGE OR ROPE MFG. NOG**
- 4673**     **GOTTONSEED OIL MFG.—SOLVENT & DRIVERS**  
Applies during both active and dormant seasons. Includes installation or repair of equipment, yard workers, weighers, seed or fuel haulers.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: OR)

**9425 CITIES—OVER 400,000 POPULATION—COMPOSITE RATE**

~~Only direct employees of a city may be assigned to this classification. Workers provided through a temporary help agency or employee leasing arrangement must be classified to the code that best describes the work performed.~~



ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: SC)

3081     ENAMELED IRONWARE MFG.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: SC)

3094 ENAMELED IRONWARE MFG

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: TN)

3574     TYPEWRITER MFG.

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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: TN)

3565      ~~TYPEWRITER MFG.~~

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4A  
BASIC MANUAL—2001 EDITION  
STATE SPECIAL CLASSIFICATIONS WITH ZERO CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: UT)

**ROCKET ENGINE**

- 4759** ~~Ignitor Mfg. & Drivers.~~ Includes mixing of charge and loading. Applicable only to the manufacture of ignitors for solid propellant rockets or missiles.  
Code 0759 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0759 is not subject to experience rating or retrospective rating.
- 4758** ~~Mfg.—Solid Propellant & Drivers.~~ Ignitor and warhead loading to be separately rated.  
Code 0758 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0758 is not subject to experience rating or retrospective rating.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4B  
STATISTICAL PLAN—2008 EDITION  
PART 6—Coding Values  
H. Statistical Codes

2. Premium Amount Not Subject to Experience Modification Factor  
(APPLIES IN: CT, GA, UT)

2. PREMIUM AMOUNT *NOT SUBJECT* TO EXPERIENCE MODIFICATION FACTOR

Premium Amount *Not Subject* to Experience Modification Factor

Description	Stat Code	Premium Credit (-) or Debit (+)	Applicable States <sup>(1)</sup>	Effective Date	Discontinuation Date
Non-Ratable Portion of Class Code Rate	0758	+	GA	01/87	<u>02/29/16</u>
			UT	01/87	<u>11/30/15</u>
	0759		GA	01/87	<u>02/29/16</u>
			UT	01/87	<u>11/30/15</u>
	0767		CT	01/87	<u>12/31/15</u>
	0774		GA	01/87	<u>02/29/16</u>
	0776		GA	01/87	<u>02/29/16</u>
	0799		GA	01/87	<u>02/29/16</u>

<sup>(1)</sup> Premium programs apply to all states listed unless otherwise noted.

**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

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**EXHIBIT 4C  
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION  
PERFORMANCE STANDARD 4—LOSS PREVENTION  
(APPROVAL REQUIRED IN: GA)**

**D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION**

Add the following to the Loss Prevention Survey Table:

**Loss Prevention Survey Table**

<b>Premium Range</b>	<b>Additional Governing Classification Codes</b>						
\$20,000 to \$49,999	1474	4770	4773	4774	4775	4776	4799

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 4D

BASIC MANUAL—2001 EDITION

APPENDIX E

CLASSIFICATIONS BY HAZARD GROUP

(APPLIES IN: AL, CT, GA, IL, KY, LA, MD, ME, MO, NC, NV, OK, OR, SC, TN, UT, VA)

TABLE OF CLASSIFICATIONS BY HAZARD GROUP

Class Code	Applies in:±	Discontinued in:±	Hazard Group A–G
1420		<u>3/1/16: AL</u>	E
1457		<u>1/1/16: OK</u>	G
1470		<u>4/1/16: NC</u>	E
1472	AK, AZ, AR, CO, CT, DC, FL, HI, IA, ID, IL, IN, KS, KY, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VT, VA  <u>10/1/07: WV</u>  <u>4/1/16: NC</u>		F
2352		<u>1/1/16: MO, OK</u>	B
2532		<u>4/1/16: VA</u>	A
3091		<u>10/1/15: KY</u>  <u>9/1/16: SC</u>	C
3565		<u>10/1/15: KY</u>  <u>1/1/16: IL</u>  <u>3/1/16: TN</u>	B
4479		<u>1/1/16: MD</u>  <u>4/1/16: ME, VA</u>	A
4536		<u>1/1/16: MD</u>	G
4584		<u>1/1/16: MD</u>	E
4673		<u>1/1/16: OK</u>	E
4758		<u>12/1/15: UT</u>  <u>3/1/16: GA</u>	G
4759		<u>12/1/15: UT</u>  <u>3/1/16: GA</u>	G



**ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP**

**EXHIBIT 4D (CONT'D)**

<b>Class Code</b>	<b>Applies in:±</b>	<b>Discontinued in:±</b>	<b>Hazard Group A–G</b>
4767		<u>1/1/16: CT</u>	G
4771	AL, AK, AZ, AR, CO, CT, DC, FL, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, NC, OK, OR, RI, SC, SD, TN, UT, VT, VA  <b>10/1/07: WV</b>  <b>3/1/16: GA</b>		G
4774		<u>3/1/16: GA</u>	G
4776		<u>3/1/16: GA</u>	G
4799		<u>3/1/16: GA</u>	G
6846		<u>5/1/16: LA</u>	G
7207		<u>1/1/16: MO</u>	E
7323		<u>4/1/16: NC</u>	G
9425		<u>1/1/16: OR</u>	E
9662		<u>3/1/16: NV</u>	G

± Upon approval of this item, each state will have its state-specific effective date indicated.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 5  
BASIC MANUAL—2001 EDITION  
MACHINE SHOPS  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: IL)

**3629**     **MACHINED PARTS MFG. NOC**

Applies only to employers that machine single-piece parts for others that meet all of the following conditions:

1. The employer's operations are not described by another classification.
2. The machined parts manufactured by the employer are not described by another classification.
3. The employer does not assemble any single-piece machined parts into end-product components. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.
4. The employer does not perform casting, forging, stamping, forming, or fabrication.

ITEM B-1428—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
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EXHIBIT 5  
BASIC MANUAL—2001 EDITION  
MACHINE SHOPS  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: IL)

**3629**      **PRECISION MACHINED PARTS MFG- NOG**

~~Applies only to risks where the plans or specifications require that 50% or more of the parts produced require a machined tolerance of .001" or closer. Must not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3629 are conducted as a separate and distinct business.~~

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EXHIBIT 5  
BASIC MANUAL—2001 EDITION  
OPTICAL STORES  
NATIONAL CLASSIFICATIONS TO BE APPLICABLE  
(APPLIES IN: NH)

**8013◆ OPTICAL STORES**

Optical stores that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Refer to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Surface grinding of lenses to be separately rated as Code 4149.

**8832 PHYSICIAN & CLERICAL**

Employees engaged in any type of service in or about premises, other than premises used for professional purposes, are to be separately rated. Does not apply where inpatient overnight care is provided.

Independent medical testing labs that analyze medical specimens are assigned to Code 4511. Testing labs that are not independent but part of a medical facility or physician's office must be classified to Code 8832.

Physicians' offices that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Refer to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Surface grinding of lenses to be separately rated as Code 4149.

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EXHIBIT 5  
BASIC MANUAL—2001 EDITION  
OPTICAL STORES  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: NH)

**8013◆ OPTICAL STORES**

~~Surface grinding of lenses to be separately rated as Code 4149. Ophthalmologists or optometrists and their assistants who strictly perform eye exams and write prescriptions in a physically separate and distinct area are to be separately rated as Code 8832. If there is an interchange of labor, the highest rated code must be applied.~~

**8832 OPHTHALMOLOGIST OR OPTOMETRIST & CLERICAL**

~~Code 8832 applies to ophthalmologists or optometrists and their assistants whether they work in a typical doctor's office environment or an optical center. If there is any interchange of labor between exams and retail duties, such as dispensing eyewear, fitting frames, or grinding lenses, the highest rated code must be applied. Refer to Code 8013 for any employee who dispenses optical goods, fits frames, or grinds lenses. Refer to Code 4149 for any employee who performs surface grinding.~~

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SPECIAL CLASSIFICATIONS  
(APPLIES IN: VA)

2501

<b>Established:</b> Date Unknown	<b>Replaced By:</b> Not Applicable
<b>Discontinued:</b> Not Applicable	<b>Retained:</b> Not Applicable
	<b>NCCI Schedule and Group:</b> Schedule 7, Group 070

**PHRASEOLOGY**

CLOTHING MANUFACTURING

**Description:**

Code 2501 is applied to insureds engaged in the manufacture of a wide variety of clothing on a mass production or quantity basis. The operations involve cutting to size or pattern using hand or electric cutters, hand or machine sewing, finishing, labeling, pressing, inspecting and packaging. The articles are produced from all types of cloth (bolts or piece goods), dressed furs, material for linings and interlinings, fasteners, belts and trimmings manufactured by others. Fur clothing manufacturing and quilted cloth manufacturing fall within the scope of this classification.

The operations of insureds engaged in the manufacture of silk or synthetic fabric parachutes, plastic film parachutes and inflatable balloons have been assigned to this classification. Plastic film, adhesive or thermoplastic tape and metal parts are received from outside sources. Parachute manufacturing encompasses sewing the fabric envelopes and shroud lines to the envelopes including the harness risers and sewing the parachute pack. In producing plastic film balloons or parachutes, the seams are sealed by applying heat to the plastic film and thermoplastic tape.

The manufacture of automobile convertible tops and seat covers is assigned to Code 2501. In the event an insured manufactures tops and seat covers or engages in upholstering operations along with the manufacture of tops and/or seat covers, *Basic Manual* rules applicable to the assignment of more than one classification to a risk will apply.

**Related Operations Not Classified to Code 2501:**

Certain Code 2501 operations are designated as “not otherwise classified” (NOC). These NOC operations shall apply to an insured only when no other classification more specifically describes the insured’s operations.

The following is a representative list of operations somewhat related in nature to Code 2501 operations that are not assigned to Code 2501:

- 2402 Carpet or Rug Mfg. NOC
- 2503 Dressmaking or Tailoring—Custom Exclusively

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EXHIBIT 5 (CONT'D)  
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2361 Hosiery Mfg.

2362 Knit Goods Mfg. NOC

**CROSS-REF.**

CLOTH PRINTING: SILK SCREEN PROCESS: HAND PRINTING

**Note:** Includes drying.

**Description:**

Code 2501 applies to the silk screening of individual garments, caps, etc., done by hand. This code applies to operations done by hand or through the use of a machine of a multiport nature where a number of garments may be loaded onto the machine at the same time. This type of machine resembles an octopus or carousel and usually applies a different color at each of a number of ports around the machine to create a multicolor picture or pattern.

**Related Operations Not Classified to Code 2501:**

Code 2417 applies to the silk screening of rolls of cloth using machinery. This machinery is somewhat akin to commercial printing presses found in print shops. This code should not be assigned to a risk engaged in operations described by another classification.

Code 2413 applies to silk screening of rolls of cloth when an insured is in the business of processing crude cloth into finished cloth and as part of this process engages in machine silk screening of the cloth. In the event an insured engages in cloth processing but silk screens individual garments by hand, this hand silk screening operation is assigned to Code 2501, with the remainder of the cloth processing operation assigned to Code 2413.

**CROSS-REF.**

COLLAR MFG.

**CROSS-REF.**

CUSHION, PILLOW, OR QUILT MFG.

**Note:** No mattress or box spring mfg.

**CROSS-REF.**

DOLL CLOTHING OR CLOTH DOLLS OR CLOTH PARTS MFG.

**Note:** Includes dressing of dolls.

**CROSS-REF.**

DRAPERIES OR CURTAINS: MFG.—FROM CLOTH, PAPER, OR PLASTIC—CUTTING AND SEWING

**CROSS-REF.**

FEATHER PILLOW MFG.

**Note:** No mattress or box spring mfg.

**CROSS-REF.**

FUR CLOTHING MFG.

**Note:** Preparation of skins to be separately rated.

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**EXHIBIT 5 (CONT'D)  
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FURNISHING GOODS MFG. NOC

**Note:** Includes wearing apparel, draperies or household furnishings from textile fabrics.**Description:**

Code 2501 is also applied to insureds engaged in the manufacture of furnishing goods produced from received textile fabrics. This classification also includes the cutting and sewing of draperies or curtains made of paper or plastic, window shade manufacturing and the manufacture of lamp shades made from parchment.

**CROSS-REF.**

HAT MFG.

**Description:**

Code 2501 is also applied to insureds engaged in three types of hat manufacturing, the first being men's straw hats made from braided straw stripping and Panama hat bodies received from others along with ribbons and sweatbands. The stripping is roughly sewn into crowns and brims and stitched together. The Panama hat bodies do not require sewing as they are received in semi-blocked condition.

Finishing operations involve sizing, hand blocking, ironing and machine blocking in a hydraulic press. The hats are then fitted with ribbons and bands prior to packing for shipment. The second type of hat manufacturer produces men's felt hats from felt hat bodies received from others along with ribbons, sweatbands and linings. The bodies are processed by steaming, sizing, ironing, crown pouncing, curling and finally press blocking under hydraulic presses. Ribbons, sweatbands and linings are then attached, usually by hand. The third type of hat manufacturer turns out fur or wool felt bodies for millinery manufacturers or other hat finishers or finishes the hat using the same operations performed by the second type of hat manufacturer. Dressed fur (usually rabbit) is received. Different grades of fur are mixed by machine and blown through another machine similar to a picker for cleaning. A cone-forming machine produces an enlarged hat shape which is rolled, shrunk, dyed, shellacked, stiffened, stretched, blocked and dried.

Code 2501 is assigned to insureds engaged in the manufacture of women's hats made from felt bodies or straw bodies along with trimmings received from others. The operations are in the nature of a finishing process. Milliners will block the felt or straw bodies to obtain the desired size and style and then the necessary trimming is sewn on the hats, usually by hand. This classification is also applied to insureds engaged in turning out finished hats from textile fabrics of all types received from others in bolts or piece goods. The fabrics are cut to standard hat sizes, sewn, steamed on molds or blocked in hydraulic presses and trimmed with flowers, fur, feathers, braid, etc., to form the completed hats.

**CROSS-REF.**

HAT MFG.—OTHER THAN STRAW OR CLOTH NOC—INCLUDES BLOWING, STARTING OR FORMING OF FELT HAT SHAPES. HATTER'S FUR MFG. TO BE SEPARATELY RATED AS 2623

**CROSS-REF.**

HAT MFG.—OTHER THAN STRAW OR CLOTH NOC—NO BLOWING, STARTING OR FORMING OF FELT HAT SHAPES. NO HATTER'S FUR MFG.

**CROSS-REF.**

HAT MFG.—STRAW

**CROSS-REF.**

LINGERIE MFG.



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**CROSS-REF.**

MILLINERY MFG.

**Note:** Applies to ladies' trimmed hats.

**CROSS-REF.**

SHIRT MFG.

**CROSS-REF.**

SUSPENDER MFG.

**Note:** Buckle, webbing or leather parts mfg. to be separately rated.

**CROSS-REF.**

SIGN MANUFACTURING—SILK SCREEN PRINTING: CLOTH

**Note:** Codes 2501, 3064 and 4299 shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Sign installation, maintenance, repair, removal or replacement away from shop to be separately rated as Code 9521 or Code 9554.

**CROSS-REF.**

TEXTILE: MENDING

**Note:** Applies to invisible textile weaving of wearing apparel.

**CROSS-REF.**

TOY MFG.: CLOTH STUFFED ANIMALS OR TOYS

**Description:**

Code 2501 includes the manufacture of cloth stuffed animals or toys. The repair of wearing apparel using invisible textile weaving methods is additionally contemplated by Code 2501.

**CROSS-REF.**

WINDOW: SHADE MFG.

**Note:** Roller manufacturing to be separately rated.

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(APPLIES IN: VA)

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**2532**

**State Special:** applies in ~~NJ~~, VA

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**PHRASEOLOGY**

MILLINERY MFG.-

Applies to ladies' trimmed hats. Manufacturing of felt hat bodies to be separately rated as 2501—Hat Mfg.

**SCOPE**

Code 2532 is assigned to insureds engaged in the manufacture of women's hats made from felt bodies or straw bodies along with the trimmings received from others. The operations are in the nature of a finishing process. Milliners will block the felt or straw bodies to obtain the desired size and style and then the necessary trimming is sewn on the hats, usually by hand. This classification is also applied to insureds engaged in turning out finished hats from textile fabrics of all types received from others in bolts or piece goods. The fabrics are cut to standard hat sizes, sewn, steamed on molds or blocked in hydraulic presses and trimmed with flowers, fur, feathers, braid, etc., to form the completed hats.

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**3629**

**PHRASEOLOGY**

**PRECISION MACHINED PARTS MFG. NOC—**

Applies only to employers that machine single-piece parts for others that meet all of the following conditions: risks where the plans or specifications require that not less than 50% of all machining operations performed by the risk shall be held to final tolerances of .001 inches or closer. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 3629 are conducted as a separate and distinct business.

1. The employer's operations are not described by another classification.
2. The machined parts manufactured by the employer are not described by another classification.
3. The employer does not assemble any single-piece machined parts into end-product components. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.
4. The employer does not perform casting, forging, stamping, forming, or fabrication.

**CROSS-REF.** *Additive Manufacturing NOC—No Assembly*—applies to employers that manufacture single-piece parts for others using 3D printers or similar equipment. Also applies to finished products with multiple parts when the products are manufactured by 3D printers or similar equipment and require no additional assembly. The operations must meet all of the following conditions:

1. The employer's operations are not described by another classification.
2. The parts or finished products manufactured by the employer are not described by another classification.
3. The employer does not perform assembly operations. Assembly operations include, but are not limited to, welding, fastening, inserting, pressing, and the joining of springs, ball bearings, gears, or other parts or components to any other part or component.
4. The employer does not perform casting, forging, stamping, forming, or fabrication.

**State Special: Illinois**—applies only to risks where the plans or specifications require that 50% or more of the parts produced require a machined tolerance of .001 or closer. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 3629 are conducted as a separate and distinct business;

**New York**—Precision Machined Parts Mfg. NOC—applies to manufacturers of parts for arms, aircraft or similar apparatus. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3629 are conducted as a separate and distinct business.

**SCOPE**

Code 3629, a "not otherwise classified" classification, applies to a risk which meets the following three conditions:

1. ~~The machined parts manufactured by the risk are not described by another classification. Examples of operations described by another classification are indicated in the NOC summary below.~~
2. ~~Fifty percent or more of all machining operations performed by the risk are held to tolerances of .001 inches or closer. This 50% criterion is intended to recognize that very few insureds within the precision machined parts manufacturing industry are engaged solely in precision machining and that a precision machine shop may engage in general machining work as described by Code 3632—Machine Shop NOC, as well as Code 3629 activities.~~

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3. If a risk is engaged in a multiple operation enterprise and one of the enterprises would ordinarily be assigned to Code 3629, the enterprise must be conducted as a separate and distinct business for Code 3629 to be applicable to it.

~~It should also be emphasized that this classification is intended to apply to precision machined parts manufacturing, not precision machine manufacturing.~~

~~As the machining operations assigned to Code 3629 involve close tolerances, the operations usually will require employees who are highly skilled toolmakers.~~

~~Additionally, Code 3629 risks employers will generally engage in significant amounts of both inspection and quality control work.~~

Additive manufacturing, also known as 3D printing, is assigned to Code 3629 when the employer's operations and manufactured parts meet all of the criteria listed in the phraseology.

Additive manufacturing allows for the highly automated production of parts using a base material, such as plastic, wood, or metal, and a binder or adhesive. Thin layers of material are placed on top of each other using computer-controlled distribution. The base material is built up by adding the binder between each layer. The process is repeated until the part is complete. By adding only enough material that is needed to complete the part, the process results in little to no waste.

Additive manufacturing machines are capable of producing any type of part that can be programmed into the computer. This is a "clean" type of manufacturing since almost all of the work is performed by the machine. Work areas are clean and free of debris such as metal shavings, dirt, and grease found in traditional manufacturing plants. It is expected that most of the staff needed to support this technology will be in the areas of design and computer programming, with minimal production work done by individuals.

Code 3629 operations are designated as "not otherwise classified" (NOC). These NOC operations ~~shall~~ must apply to an insured only when no other classification more specifically describes the insured's operations. The following is a representative list of classifications somewhat related in nature to Code 3629 operations that are not assigned to Code 3629:

- 3638 Ball or Roller Bearing Mfg.
- 3581 Fuel Injection Device Mfg.
- 3179 Electrical Apparatus Mfg. NOC
- 3635 Gear Mfg. or Grinding
- 3146 Hardware Mfg. NOC
- 3632 Machine Shop NOC
- 3400 Metal Stamped Goods Mfg. NOC
- 3132 Nut or Bolt Mfg.
- 3188 Plumbers' Supplies Mfg. NOC
- 3145 Screw Mfg.
- 3303 Spring Mfg.
- 3114 Tool Mfg.—Drop or Machine Forged NOC—Machining or Finishing of Tools or Die Making Operations
- 3113 Tool Mfg.—Not Drop or Machine Forged NOC

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3634 Valve Mfg.

3257 Wire Goods Mfg. NOC

In addition to this representative list, one should review sources such as the ~~alphabetical~~ classification index in this manual to determine whether a classification other than Code 3629 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

**State Addendum Massachusetts**

Refer to Code 3612 for the manufacture of fuel pumps, super or turbochargers and fuel injectors.

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**3632**

**PHRASEOLOGY**

**MACHINE SHOP NOC-**

Foundry operations to be separately rated. Code 3632 applies to the manufacture or repair of machines, as well as to general job machining that is not otherwise classified. Applies only to shop operations performed on the premises of the employer.

**CROSS-REF.** *Automotive—Machine Shop*—no work on vehicles. Applies to operations involving the repair of parts or engines that have been removed from the vehicle by others. Shall Must not be assigned to a risk engaged in an employer that performs operations described by another classification unless the operations subject to Code 3632 are conducted as a separate and distinct business. Applies only to shop operations performed on the premises of the employer (N/A MA); Explosives or Ammunition Mfg.—Projectile or Shell Mfg.—includes incidental “Nosing In”—not cartridge or shell case manufacturing. Forging or casting of shapes or loading or testing with explosives to be separately rated (N/A AZ, CO, IL, MA, MS, TN); *Tool Sharpening—Industrial Tools—Shop Only*—applies only to shop operations performed on the premises of the employer. Tool sharpening operations performed at the customer’s location to be separately rated.

**State Special:** ~~Illinois~~—add to Machine Shop NOC footnote: Foundry operations to be separately rated. Bona fide tool and die mfg. operations to be separately rated;

**Massachusetts**—Auto Jack Mfg.—Not Stamped;

**Massachusetts**—Auto Piston Mfg.;

**Massachusetts**—Automotive Machine Shops—No Work on Cars—Including Cylinder Reboring, Valve Grinding, Turning Down Brake Drums, Rebabbiting Connecting Rods;

**Massachusetts**—Chain Mfg.—Roll or Drive Type;

**Massachusetts**—Deburring—Metal;

**Massachusetts**—Laundry Machinery Mfg.—Commercial or Domestic Type;

**Massachusetts**—Polishing and Buffing Small Articles—Shop Only—No Mfg.;

**Massachusetts**—Ship Building—Iron or Steel—NOC & Drivers: Machine Shop Other Than Maintenance Machine Shop;

**Massachusetts**—Stoker Mfg.;

**Massachusetts**—Woodworking Machine Mfg.;

**Minnesota**—Carburetor Mfg.;

**New Jersey**—Auto Replacement Parts Distributor—Wholesale—Machine Shop—includes cylinder reboring, valve grinding, turning down brake drums or rebabbiting connecting rods. Store employees shall be assigned to Code 8010—Hardware Store;

**New Jersey**—Automatic Sprinkler Head Mfg.;

**New Jersey**—Machine Shop NOC—foundry operations to be separately rated;

**New Jersey**—Sprinkler Head Mfg.—applies to automatic sprinklers;

**New Jersey**—Valve Mfg.—foundry operations to be separately rated;

**New Jersey**—Water Meter Mfg.;

**New York**—Other Than Maintenance Machine Shop-

**New York**—Ship Building—Iron or Steel NOC—& Drivers: Boilermaking Machine Shop;

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(APPLIES IN: VA)****SCOPE**

Code 3632 applies to the manufacture or repair of machines as well as general job machining. It must be emphasized that Code 3632 is an NOC classification and is applied to operations only when such operations are not specifically contemplated by another manual classification(s).

Metal castings, forgings, bars, rods, flats, tubing, angles, pipe and pipe fittings, chains, sockets, gears, shafting, pulleys, hardware, sheet metal and some lumber and paint may be used. A variety of processes may be involved such as boring, turning, planing, shaping, milling, drilling, punching, grinding, tapping, threading, shearing, bending, forming, riveting, welding, painting, inspecting and testing.

Code 3632 additionally contemplates auto jacks manufacturing—not stamped; auto piston manufacturing; commercial or household laundry machinery manufacturing; stoker manufacturing; and the sharpening of industrial tools.

Additional representative operations that have been assigned to Code 3632 include the repair of diesel engines used as generators, risks engaged exclusively in the repair of either inboard or outboard motors and other small engines such as those used in lawn mowers and snowmobiles, and axle unit assembly or manufacturing or repair.

The classification applies to automotive machine shops. The term “automotive machine shops” as used in this context refers to locations where work is performed on various automobile parts which have been removed from a vehicle by others. The “automotive machine shop” does not engage in any work on vehicles or on parts while the parts are attached to vehicles. The operations may include cylinder reboring, valve grinding and turning down brake drums. See Code 3648 for shops engaged in the repair of automotive parts such as lighting, ignition and starting apparatus.

The partial or complete rebuilding of used automobile engines is assigned to Code 3632. This differs from the manufacture of new automobile engines, which is assigned to Code 3827—Automobile Engine Mfg.

Code 3632 contemplates the machining and finishing of the rough projectile shell blanks that have undergone preliminary processing by means of foundry and forging operations performed by outside entities or in separate departments operated by the shell manufacturer.

The machining operations are typical machine shop operations consisting of sawing, centering, turning, boring, facing, reaming, shaping the nose (i.e., “Nosing In” as specified in the class phraseology), heat-treating, thread milling, application of copper bands, washing, painting and packing.

Code 3632 also applies to the production of bomb cases made from sheet steel or steel tubing. In general, this involves the processing of seamless steel pipe by cutting to size and then applying heat-treating, shaping the nose and tail, welding on the bomb fin, degreasing, spray painting and packing.

The manufacture of woodworking machinery is additionally assigned to Code 3632.

Certain Code 3632 operations are designated as “not otherwise classified” (NOC). These NOC operations ~~shall~~ must apply to an insured only when no other classification more specifically describes the insured's operations. The following is a representative list of classifications somewhat related in nature to Code 3632 operations that are not assigned to Code 3632:

3638 Ball or Roller Bearing Mfg.

3581 Fuel Injection Device Mfg.

3179 Electrical Apparatus Mfg. NOC

3635 Gear Mfg. or Grinding

3146 Hardware Mfg. NOC

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- 3400 Metal Stamped Goods Mfg. NOC
- 3132 Nut or Bolt Mfg.
- 3188 Plumbers' Supplies Mfg. NOC
- 3629 ~~Precision~~ Machined Parts Mfg. NOC
- 3145 Screw Mfg.
- 3303 Spring Mfg.
- 3114 Tool Mfg.—Drop or Machine Forged  
—NOC—Machining or Finishing of Tools or  
Die Making Operations
- 3113 Tool Mfg.—Not Drop or Machine Forged—NOC
- 3634 Valve Mfg.
- 3257 Wire Goods Mfg. NOC

In addition to this representative list, one should review sources such as the ~~alphabetical~~ classification index in this manual to determine whether a classification other than Code 3632 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

**~~State Addendum Massachusetts~~**

~~Refer to Code 3639 for risks engaged in the machining and finishing of rough projectile shell blanks that have undergone preliminary processing, and the production of bomb cases made from sheet steel or steel tubing. Refer to Code 3648 for shops engaged in the repair of automotive lighting and ignition, and Code 3643 for shops engaged in the repair of automotive starting apparatus. Refer to Code 3612 for the manufacture of fuel pumps, super or turbochargers and fuel injectors.~~



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4149

<b>Established:</b> April 2010	<b>Replaced By:</b> Not Applicable
<b>Discontinued:</b> Not Applicable	<b>Retained:</b> Not Applicable
	<b>NCCI Schedule and Group:</b> Schedule 18, Group 185

**PHRASEOLOGY**

OPTICAL GOODS MFG. NOC

**Note:** Includes ground lens manufacturing, opera and field glasses manufacturing, goggle manufacturing, and telescope manufacturing.

**Description:**

Code 4149 is assigned to insureds that manufacture optical goods and ground lenses. The classification includes specialists who perform precision grinding of lenses or the grinding of blank or rough lenses to curvature and size for retailers, i.e., optometrists and opticians. It further includes the complete process of assembling the lenses into frames to obtain eyeglasses, opera glasses, field glasses, and industrial goggles. Glass and plastic blanks, emery, polishing rouge, steel, silver and gold wire rod or tube, sheet plastic, and metal are received from others. The glass or plastic blanks are heated; put in molds; formed; annealed; set in grinding machines; ground down to size, gauge, and thickness; centered; polished; and edges are trimmed and beveled. The lenses are then buffed, washed, and inspected. Some lenses are shipped to customers, while others are mounted in the product being made. The products may be manufactured by insureds falling within the scope of Code 4149, or they may be assembled from component parts received from others.

**Related Operations Not Classified to Code 4149:**

Certain Code 4149 operations are designated as “not otherwise classified” (NOC). These NOC operations shall must apply to an insured only when no other classification more specifically describes the insured's operations. The following is a representative list of operations somewhat related in nature to Code 4149 operations that are not assigned to Code 4149.

- 4114 Glassware Mfg. NOC
- 3685 Instrument Mfg. NOC
- 8013 Optical Stores
- 8832 Physicians (~~Optometrists~~) & Clerical

In addition to this representative list, one should review sources such as the ~~alphabetical~~ classification index in this manual to determine whether a classification other than Code 4149 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

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**4479**

**State Special:** applies in MD, ME, NJ, NY, VA

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**PHRASEOLOGY**

BUTTON MFG.- NOG

**SCOPE**

Code 4479 is applied to insureds engaged in the manufacture of all types of buttons other than metal and those made exclusively from fabric. While the manufacturing operations may vary slightly depending upon the raw material, they are distinctly comparable. Also, it is not uncommon for an insured to manufacture more than one type of button. Sheets or rods of plastic, glass or other synthetics, mussel or clam shells, vegetable ivory and wood blocks are received from others. The raw material is automatically sliced into blanks of discs. The blanks are classified and churned to remove rough edges. Some blanks are soaked to soften while others may be soaked to harden. They are then dried and machined into various shapes and patterns. The eyes are drilled and the buttons are tumbled, polished and inspected. They are then sorted into various grades, counted and some are boxed while others are sewed onto cards by machine and packaged.

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(APPLIES IN: VA)****4484****~~N/A—GA, NY~~****PHRASEOLOGY**

PLASTICS MANUFACTURING: MOLDED PRODUCTS NOC.

Applicable to the manufacturing of plastic goods by injection or compression molding. Includes die making and all machining, finishing, assembling and forming operations in connection with the molded products. Not applicable to any operations properly assignable to chemical Codes 4828 or 4829.

**CROSS-REF.**

*Button Mfg. NOC* (~~N/A HI, MD, ME, VA~~); *Doll or Doll Parts Mfg. or Assembly*—mfg. of glass, metal or cloth parts, cloth dolls, doll clothing or dressing of dolls to be separately rated.

**State Special: Illinois**—Molded Products NOC—applicable to the manufacturing of plastic goods by injection or compression molding. Includes all the machinery finishing, assembling and forming operations in connection with the molded products. Not applicable to any operations properly assignable to chemical Codes 4828 or 4829. Mfg. Of tools and dies to be separately rated;

**Massachusetts**—Last or Shoe Form Mfg.: Molded;

**Massachusetts**—Plastics—Laminated Molded Products Mfg. By Laminating Liquid Plastic Impregnated Fibers, With the Use of Brush or Spray, Either In or Over a Mold or Form NOC;

**Massachusetts**—Plastics Manufacturing: Molded Products NOC—applicable to the manufacturing of plastic goods by injection or compression molding. Includes die making and all machining, finishing, assembling and forming operations in connection with the molded products;

**Minnesota**—Phonograph Record Mfg.;

**New Jersey**—Linoleum Mfg.;

**New Jersey**—Plastics Mfg.—Molded Products NOC—applicable to the mfg. Of plastic goods by injection or compression molding. Includes die making and all the machining, finishing, assembling and forming operations in connection with the molded products. Not applicable to any operations properly assignable to the chemical and dyestuff rating plan.

**SCOPE**

Code 4484 is applied to insureds that manufacture molded plastic products provided that the manufacture of the plastic product is not otherwise classified. The manufacturing process will require the use of low- or high-pressure devices and may involve compression or injection molding. Raw materials used may be in the form of pellets, granules, powders and liquid dispersions.

Compression molding involves the placement of raw materials directly into a mold cavity and subjecting the material to a variable hydraulic pressure. The pressure is dependent upon the type of raw material and the article being molded.

Injection molding involves loading the raw material into a hopper which feeds into a cylinder. The raw material is then forced by a hydraulic ram into a heating chamber under pressure. After being plasticized, the material is forced into a cold mold to solidify the article. After solidification, the article is ejected from the mold.

The classification includes die making and all subsequent machining, finishing, assembling and forming operations necessary to complete the molded products.

Code 4484 also is applied to insureds engaged in the laminating of plastic products by use of heat and pressure. Layers of cloth or paper are impregnated with liquid plastic, dried, cut to size, stacked and

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inserted into a laminating press. Heat is applied and steel sheets within the press impart a finish similar to the finish in compression molding. After removal from the press, the laminated material may be machined, buffed or polished.

The manufacture or assembly of plastic dolls or doll parts is assigned to Code 4484. The manufacture of nonplastic parts, doll clothing or the dressing of the dolls is separately classified.

Examples of the manufacture of fiberglass or plastic products assigned to Code 4484 include bottles, chair frames, cleats, doors, dune buggy bodies, fish tanks, satellite dishes, swimming or wading pools and tubs (bath or hot).

Code 4484 contemplates insureds that manufacture various plastic products using a brush to place or gun to spray layers of fiberglass and fillers over or into molds or forms. Once the desired thickness has been attained, the material is left to set for a period of time and then is removed from the mold.

Insureds engaged in metal parts manufacturing from powdered metals, and insureds engaged in laminating liquid plastic impregnated fibers by use of brush or spray, either in or over a mold or form, are assigned by analogy to Code 4484, provided the products being produced are not otherwise classified.

Code 4484 is also applied to insureds engaged in the manufacture of all types of buttons made from raw materials such as sheets or rods of plastic, glass or other synthetics, mussel or clam shells, vegetable ivory and wood blocks. The manufacture of buttons from metal or exclusively from fabric is separately classified. The raw material is automatically sliced into blanks or discs. The blanks are classified and churned to remove rough edges. Some blanks are soaked to soften while others may be soaked to harden. The blanks are then dried and machined into various shapes and patterns. The eyes are drilled and the buttons are tumbled, polished and inspected. They are then sorted into various grades and counted. Some are boxed while others are sewn onto cards by machine and packaged.

It is important to reiterate that Codes 4452 or 4484 are applicable only when products being manufactured are specifically referenced in these scopes or the manufacture of a plastic product cannot be assigned to another classification either by specific reference or by analogy. In prioritizing classification procedures for manufacturers of plastic products, the classifier should first determine if a specific product manufacturing class is applicable to the operation. An example of a product class is Gear Mfg. In the event one does not find a specific product class, an industry class such as Sporting Goods Mfg. should be considered. In the event a product or industry class does not specifically describe the product being manufactured, or the product being manufactured cannot be assigned by analogy to either the industry or product group, either Codes 4452 or 4484, the "not otherwise classified" plastics manufacturing codes, should be assigned to the manufacture of a plastic product.

Certain Code 4484 operations are designated as "not otherwise classified" (NOC). These NOC operations shall apply to an insured only when no other classification more specifically describes the insured's operations. In addition to the above references, the following is a representative list of operations somewhat related in nature to Code 4484 operations that are not assigned to Code 4484:

- 2688 Leather Goods Mfg. NOC
- 9501 Painting—Shop (Plastic Sign Mfg.—Computerized)
- 4273 Plastic Bag Manufacturing
- 4452 Plastics Mfg.: Fabricated Products NOC
- 4459 Plastics Mfg.: Sheets, Rods, Tubes
- 4299 Printing (Plastic Sign Mfg.—Computerized)

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- 2683 Vinyl Bag Mfg.
- 2670 Vinyl Glove Mfg.
- 2660 Vinyl Shoe Mfg.

In addition to this representative list, one should review sources such as the alphabetical index in this manual to determine whether a classification other than Code 4484 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

**State Addendum**

**Massachusetts**

Refer to Code 2501 for the manufacture of vinyl gloves (Code 2670 is N/A MA).

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**8013◆**

**PHRASEOLOGY**

STORE—JEWELRY.

Applies to wholesale or retail stores.

**CROSS-REF.** *Diamond Cutting or Polishing*—shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 8013 are conducted as a separate and distinct business; *Hearing Aid Stores*; *Optical Stores (N/A NH)*—optical stores that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Refer to Code 8832 when gross receipts from the sale of eyewear are 50% or less. ~~Surface grinding of lenses to be separately rated as Code 4149;~~ *Precious Stone Setting*—includes making of mountings. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 8013 are conducted as a separate and distinct business.

**SCOPE**

Code 8013 applies to jewelry stores principally engaged in selling precious or costume jewelry, such as necklaces, earrings, bracelets, rings, watches, charms, lockets, pendants, brooches and similar ornamental items intended for personal adornment, whether made of metals or other materials. There are references to the word “principally” throughout the course of this scope. When used in this context, principally means more than 50% of gross receipts.

All jewelry stores, whether wholesale or retail or a combination of both, are included in this classification.

In addition to jewelry, this classification includes the minor and incidental handling of miscellaneous non-jewelry merchandise such as silverware, tableware, clocks, chinaware, glassware, trophies, small electrical appliances, giftware and leather goods.

Risks engaged in cutting or polishing precious stones, such as diamonds, emeralds, rubies, and sapphires, are assigned to Code 8013—Diamond Cutting or Polishing.

The repair or engraving of jewelry and precious stone setting when performed by a retail jewelry store for individual customers is also within the scope of this classification.

Refer to Code 3383 for jewelry manufacturing operations.

Other types of risks included in this classification are wholesale, retail or combined wholesale and retail stores which conduct the following operations, or deal in the articles listed:

1. ~~Optical Stores—including grinding of lenses to fit frames. However, the surface grinding of lenses to prescription is assigned to Code 4149. Optometrists, although not licensed physicians, are classified to Code 8832—Physicians, provided that they only perform eye examinations in a typical doctor's office environment. In the event that an optometrist also engages in the dispensing of optical goods, Code 8013 is applicable. In the event that an optometrist is employed by an optical store, the optometrist is classified to Code 8013 whether the optometrist exclusively performs examinations or performs examinations as well as dispenses optical goods.~~ optical stores that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Refer to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Surface grinding of lenses to be separately rated as Code 4149. Stores that specialize in the sale of sunglasses are contemplated by Code 8013.

2. Hearing Aids

3. Coins

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- 4. Postage Stamps
- 5. Dealers in Precious Metals Only

OPERATIONS NOT COVERED:

- 1. Dealers that handle only silverware such as dishes, trays, tableware, candle holders and coffee or tea sets, are subject to the appropriate "NOC"; store classification, depending on whether the sales are principally to retail customers (Code 8017) or to wholesale customers (Code 8018) ~~(Wisconsin: Code 8013)~~.
- 2. Stores principally engaged in selling a miscellany of non-jewelry items such as silverware, tableware, clocks, chinaware, glassware, trophies, small electrical appliances, giftware or leather goods are assigned to the appropriate "NOC" store classification depending on whether the sales are principally to retail customers (Code 8017) or to wholesale customers (Code 8018) ~~(Wisconsin: Code 8013)~~.

Repair work principally performed for other dealers shall must be assigned as follows:

- 1. Repair of Jewelry to Code 3383—Jewelry Mfg.
- 2. Repair of Watches to Code 3385—Watch Mfg.
- 3. Repair of Clocks to Code 3385—Clock Mfg.

An example of the above may be a jewelry store that repairs jewelry for retail customers and dealers. If more than 50% of total receipts for repair work are derived from repair work performed for dealers, then payroll for employees for performing this repair work is assigned to either Code 3383 or 3385. If 50% or less of receipts generated for repair work are derived from repair work performed for dealers, then this work is considered incidental to store operation and is assigned to Code 8013. Please note, the foregoing refers to receipts for repair work only. Receipts derived from other sales are not considered when making this determination.

**Note:** Refer to Note listed under Code 8001 for underwriting guidelines that are applicable to stores and dealers.

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**8832****PHRASEOLOGY****PHYSICIAN & CLERICAL.**

Employees engaged in any type of service in or about premises, other than premises used for professional purposes, are to be separately rated. Does not apply where inpatient overnight care is provided.

Independent medical testing labs that analyze medical specimens are assigned to Code 4511. Testing labs that are not independent but part of a medical facility or physician's office must be ~~also~~ classified to Code 8832.

Physicians' offices that perform eye exams, treat eye diseases, and dispense eyewear are classified to Code 8832 when gross receipts from the sale of eyewear are 50% or less. Refer to Code 8013 when gross receipts from the sale of eyewear are more than 50%. Surface grinding of lenses to be separately rated as Code 4149.

**CROSS-REF.**

*Dentist & Clerical.* Employees engaged in any type of service in or about premises, other than premises used for professional purposes, are to be separately rated.

**SCOPE**

Code 8832 is primarily intended to apply to medical providers that operate in a typical doctor's office environment. The classification contemplates physicians, dentists, other employees providing medical services, domestics or other maintenance personnel engaged exclusively in cleaning or maintaining the portion of an insured's premises used for professional purposes and clerical office employees. Code 8832 contemplates clerical operations, whether performed in the physician's office or elsewhere, such as in a centralized location completely separate and apart from the areas where professional services are performed. Employees of a physician's office that is located in a hospital, who are employed by the physician and not employed by the hospital, are properly classified to Code 8832.

Professional corporations (P.C.s) engaged in operations described above are assigned to Code 8832. Officers of the P.C. would, in most instances, be treated similarly to corporation officers of any other corporation. If these officers are covered by the policy, their pay, subject to maximum and minimum limitations, is included for premium computation purposes.

Employees engaged in any type of service in or about an insured's premises, other than premises used for professional purposes, are not classified to Code 8832. This interpretation is intended to apply to domestic or maintenance workers who clean or maintain a professional office as well as additional portions of an insured's premises. Employees of this nature are classified to the appropriate domestic or building maintenance classification. This situation may occur when a domestic cleans a doctor's office located in the doctor's residence and cleans the rest of the residence as well, or when a doctor has an office in a commercial building and a janitor maintains the doctor's office as well as the remainder of the building.

~~Ophthalmologists are physicians and as such are classified to Code 8832. Optometrists, although not licensed physicians, are classified to Code 8832, provided they only perform eye examinations in a typical doctor's office environment. In the event that an optometrist (or ophthalmologist) also engages in the dispensing of optical goods, Code 8013—Optical Stores is applicable. In the event that an optometrist is employed by an optical store, the optometrist is classified to Code 8013 whether the optometrist exclusively performs examinations or performs examinations as well as dispenses optical goods.~~

Insureds that engage in speech therapy, physical therapy, weight control service, and other medical or physical service-type ~~risks~~ employers that render their services in their offices are additionally classified to Code 8832. This code is applicable to these insureds even though they may travel to clients, provided



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that these insureds also maintain an office to see clients. In the event these insureds do not maintain an office to see clients but exclusively travel to residences of their clients to provide services, Code 8835—Nursing—Home Health is assigned to their operations by analogy.

Satellite dispensaries, emergency medical treatment facilities and clinics operated by a hospital on its premises are considered incidental to the hospital's operation and are properly classified to the hospital codes, 8833 and 9040. Facilities of this nature away from a hospital's premises, which do not provide overnight accommodations, are classified as Code 8832.