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May 18, 2017

ALL ASSOCIATION MEMBERS:

Circular No. 17-1710

RE: NCCI Item B-1435— Revisions to Basic Manual Classifications and Appendix E— Classification by Hazard Group, Including Trucking and Towing

The Minnesota Department of Commerce has approved the above filing to become effective (in part) at 12:01 a.m. on January 1, 2018, for new and renewal business. Please note, that certain classifications require that MWCIA implement a transition program to eliminate and reassign the respective exposure to alternate classifications. Class codes 1860- Abrasive Paper Or Cloth Preparation and 2534- Feather Or Flower Mfg. – Artificial will be eliminated effective at 12:01 a.m. on January 1, 2019.

The purpose of this item is to eliminate certain national classifications with low credibility. Secondly, this item proposes revisions to the classification treatment of the trucking industry and introduces a new classification specific to towing operations for others. This proposed item will require revisions to the *Minnesota Basic Manual*.

Certain NCCI exhibits included in NCCI's filing memorandum are not applicable in Minnesota and have not be included in this Circular Letter. National Exhibits 1 & 5 (in part), and Exhibit 6 are included and detail the upcoming changes to the *Minnesota Basic Manual*.

Please note, NCCI's Exhibits 1B, 1C, 1Q-1W, 2-4, 5E, 5F, and 7-13 are not applicable in the state of Minnesota and were not included in the Minnesota proposal, but are acknowledged in this Circular Letter.

Certain Minnesota state special considerations may be found on Exhibits 1E-1H, 1Q-1, 5J-1, 5J-2, 5R-1, and on Exhibit 5S-1.

For your convenience, a summary of the Minnesota Exhibits MWCIA staff recommends to adopt may be found further down in this memo.

Exhibit 1 proposes to eliminate certain national classifications which have zero or low credibility. The exposure assigned to these classifications will be reassigned to more credible classifications.

 Exhibit 1A proposes to eliminate Code 1655- Lime Mfg. -Quarry- Surface & D and reassign that exposure to Code 1642- Lime Mfg.

MWCIA staff recommends to adopt Exhibit 1A.

NCCI Exhibits 1B-1C are not applicable in Minnesota.

 Exhibit 1D proposes to eliminate Code 1853- Mica Goods Mfg. and reassign the exposure to Code 1701- Cement Mfg., creating a cross reference for Mica Goods Mfg. & Mica Preparing.

MWCIA staff recommends to adopt Exhibit 1D.

Exhibits 1E & 1F propose elimination of Code 1860- Abrasive Paper Or Cloth Preparation
with reassignment to Code 4279- Paper Goods Mfg. NOC., creating a cross reference for
Abrasive Paper Or Cloth Preparation. This class code will be eliminated and
reassigned effective January 1, 2019.

MWCIA staff recommends to adopt Exhibits 1E & 1F.

Exhibits 1G & 1H propose elimination of Code 2534- Feather Or Flower Mfg. – Artificial
with reassignment to Code 2501- Clothing Mfg. Also included under Code 2534 is a cross
reference to Hair Goods Mfg. This exposure is also proposed to be reassigned to Code
2501, creating a cross reference for Hair Goods Mfg. This class code will be eliminated
and reassigned effective January 1, 2019.

MWCIA staff recommends to adopt Exhibits 1G & 1H.

 Exhibit 1I proposes to delete Code 3175- Radiator Or Heater Mfg. and reassign that exposure to Code 3169- Stove Mfg., creating a new cross reference for Radiator or Heater Mfg.

MWCIA staff recommends to adopt Exhibit 11.

 Exhibit 1J proposes to eliminate Code 3223- Lamp Or Portable Lantern Mfg. and reassign that exposure to Code 3180- Electric Or Gas Lighting Fixtures Mfg., creating a cross reference to Lamp or Portable Lantern Mfg.

MWCIA staff recommends to adopt Exhibit 1J.

 Exhibits 1K- 1N propose elimination of Code 4053- Pottery Mfg. - China Or Tableware and reassign this exposure to Code 4062- Pottery Mfg.-Porcelain ware –Mechanical Press Forming, creating cross references to China or Tableware Mfg. and Terra Cotta Mfg.

MWCIA staff recommends to adopt Exhibits 1K-1N.

 Exhibits 10 & 1P propose elimination of Code 4061- Pottery Mfg.-Glazed/Porcelain Earthenware-Hand Mold/Cast and reassign that exposure to Code 4062- Pottery Mfg.-Porcelain ware –Mechanical Press Forming, creating an additional cross reference for Earthenware– Glazed or Porcelain– Hand Molded or Cast.

MWCIA staff recommends to adopt Exhibits 10 & 1P.

- Exhibit 1-Q proposes to eliminate a Code that is not applicable in the state of Minnesota, with proposed reassignment of the exposure to another Code that is not applicable in Minnesota. Exhibit 1-Q-1 addresses the Minnesota exception.
- Exhibit 1-Q-1 proposes to eliminate Minnesota State Special Code 4101- Glass Mfg. & D and reassign that exposure to National Code 4130- Glass Merchant, creating a new cross reference for Cut Glass Mfg.

MWCIA staff recommends to adopt Exhibit 1-Q-1.

- NCCI Exhibits 1R-1W are not applicable in Minnesota.
- Exhibits 1X & 1Y propose elimination of Code 6017- Dam Or Lock Construction: Concrete Work-All Operations and reassign that exposure to 5213- Concrete Construction NOC, creating a cross reference for Dam or Lock Construction.

MWCIA staff recommends to adopt Exhibits 1X & 1Y.

NCCI Exhibits 2-4 are not applicable in Minnesota.

Exhibit 5 addresses necessary changes to the *Minnesota Basic Manual* concerning the elimination of the trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Drivers as well as cross references to these classifications under various headings in the *Minnesota Basic Manual*.

Exhibit 5 also details the addition of the re-established class Code 7219- Trucking NOC- All Employees & Drivers and the newly established class Code 7225- Automobile Towing & Drivers along with the cross-reference phraseology to Roadside Assistance & Drivers. Many classifications will require that the cross references to Codes 7228 and 7229 be deleted and replaced with either Code 7219 or 7225. In some cases, only the phraseology will require updates. In depth descriptions proposed by Exhibit 5 (in parts) are outlined below.

Due to the elimination of the two trucking Codes, and the disparity between the respective rates, there will be a rate impact to policyholders assigned to these classifications. Approximately 4% of statewide premium in Minnesota is derived from Codes 7228 and 7229. MWCIA proposes to introduce a base rate which will be based on the combined experience reported under class Codes 7228 & 7229 for the re-established class Code, 7219.

The base rate for Code 7228 will be used as the base rate for the newly established Towing & Roadside Assistance Code- 7225. Policyholders with these operations are not expected to bear a significant premium impact as a result of this proposed change.

 Exhibits 5A-5D propose to create cross references under Codes 8380 and 8393 which states that towing for others and roadside assistance are to be separately rated.

MWCIA staff recommends to adopt Exhibits 5A-5D.

- NCCI Exhibits 5E & 5F are not applicable in Minnesota.
- Exhibit 5G proposes elimination of the cross reference for Towing for others- Local Hauling Only- All Employees & Drivers under Code 7228 and the cross reference for Towing for others- Long Distance Hauling -All Employees & Drivers under Code 7229.

MWCIA staff recommends to adopt Exhibit 5G.

 Exhibit 5H proposes the creation of Code 7225- Automobile Towing & Drivers and cross reference phraseology for Roadside Assistance & Drivers

MWCIA staff recommends to adopt Exhibit 5H.

Exhibits 5I proposes to delete the cross references to trucking Codes 7228- Local Hauling
Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Drivers
under Code 8232- Concrete Ready Mix Dealer & Yard Employees, Drivers, replacing the
phraseology to say that drivers are to be separately rated to the appropriate trucking
classification.

MWCIA staff recommends to adopt Exhibit 51.

 Exhibit 5J proposes to create cross references under Code 8380 that states towing for others and roadside assistance are to be separately rated.

MWCIA staff recommends to adopt Exhibit 5J.

 Exhibits 5J-1 and 5J-2 propose elimination of cross references to trucking Codes 7228-Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Driver under the headings of Mobile Home Delivery and Moving – without storage, creating new cross references for these exposures under Code 7219- Trucking NOC- All Employees & Drivers.

MWCIA staff recommends to adopt Exhibits 5J-1 & 5J-2.

Exhibit 5K proposes to eliminate the cross references to trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Driver under the headings of Refrigerator Car Loading or Unloading replacing the phraseology to say drivers are to be separately rated to the appropriate trucking classification.

MWCIA staff recommends to adopt Exhibit 5K.

 Exhibit 5L proposes to add phraseology stating that towing for others and roadside assistance are to be separately rated under the heading of Code 8380- Tire Dealer- Retail & Drivers.

MWCIA staff recommends to adopt Exhibit 5L.

 Exhibits 5M-P propose to eliminate cross references to trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Driver under the headings of Scaffolding and Snow Removal, creating new cross references for these exposures under Code 7219- Trucking NOC- All Employees & Drivers.

MWCIA staff recommends to adopt Exhibits 5M-5P.

 Exhibit 5Q proposes to add phraseology stating that towing for others and roadside assistance are to be separately rated under the heading of Code 8380- Storage Battery Service Station & Drivers.

MWCIA staff recommends to adopt Exhibit 5Q.

 Exhibit 5R proposes to delete the cross references to trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Drivers under the headings of Storage warehousing and Warehousing, creating new cross references under these headings that drivers are to be separately rated to the appropriate trucking classification.

MWCIA staff recommends to adopt Exhibit 5R.

Exhibit 5R-1 proposes to update the phraseology used under the heading of Timber Products in the *Minnesota Basic Manual's Classification Interpretations* section. 5R-1 proposes to delete the cross reference to trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Drivers, replacing these references with Code 7219- Trucking NOC- All Employees & Drivers.

MWCIA staff recommends to adopt Exhibit 5R-1.

 Exhibit 5S proposes to delete the definition of trucking and the trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees
 & Drivers (including the phraseology) under the heading of Hauling Explosives or Ammunition.

MWCIA staff recommends to adopt Exhibit 5S. Exhibit 5S-1 proposes to update the cross reference included under Minnesota State special Code 8395- Truck Maintenance & Repair by deleting the trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Drivers, and replacing these Codes with 7219- Trucking NOC- All Employees & Drivers.

MWCIA staff recommends to adopt Exhibit 5S-1.

 Exhibit 5T proposes to create an updated cross reference for trucking Code 7219- Trucking NOC- All Employees & Drivers under the heading of Hauling Explosives or Ammunition.

MWCIA staff recommends to adopt Exhibit 5T.

 Exhibit 5U proposes to update the heading under Code 8380- Truck Leasing- Long Term-All Other Employees & Drivers to include the phraseology that states that towing for others and roadside assistance are to be separately rated.

MWCIA staff recommends to adopt Exhibit 5U.

Exhibit 5V proposes to eliminate trucking Codes 7228- Local Hauling Only - All Employees
 Drivers and 7229- Long Distance Hauling -All Employees & Drivers along with the respective phraseology that defines the application of these Codes.

MWCIA staff recommends to adopt Exhibit 5V.

• Exhibit 5W proposes to create a new heading, with new phraseology for trucking Code 7219-Trucking NOC- All Employees & Drivers.

MWCIA staff recommends to adopt Exhibit 5W.

 Exhibit 5X proposes to eliminate the cross references to trucking Codes 7228- Local Hauling Only - All Employees & Drivers and 7229- Long Distance Hauling -All Employees & Drivers under Code 8292- Warehousing and replaces it with the statement that drivers are to be separately rated to the appropriate trucking classification.

MWCIA staff recommends to adopt Exhibit 5X.

 Exhibit 6 outlines changes necessary to Appendix D in the *Minnesota Basic Manual*, as Appendix E is not applicable in the state of Minnesota.

MWCIA staff recommends to adopt Exhibit 6.

- The attached Exhibits 1A-1Q, 1X, 1Y, 5A-D, 5G-X, and Exhibit 6 illustrate necessary changes to the *Minnesota Basic Manual*. As in past filings, strikethroughs indicate deleted text while underlining indicates new or added text. A copy of National Council's original filing memorandum is also included to provide additional background information regarding Item B-1435.
- NCCI Exhibits 7-13 are not applicable in Minnesota.

NCCI is not proposing a transition program, but for a few states, to implement the proposal outlined in Item filing B-1435. MWCIA is proposing that a transition program is necessary to implement the transition of certain classifications illustrated in Exhibits 1E-1H. The items detailed in Exhibits 1E-1H have will become effective at 12:00 a.m. on January 1, 2019.

A NOTICE TO MEMBERSHIP:

MWCIA would like to remind our membership who have filed a Limited Power of Attorney with the Minnesota Department of Commerce that no materials referenced in the Circular Letter are required to be independently filed with the Department

Exhibit 1A

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT LANGUAGE		PROPOSED LANGUAGE
QUAF	RRY		
1655	LIMESTONE—SURFACE & DRIVERS. Includes construction, repair, or maintenance of all buildings, structures, or equipment, installation of machinery; and is applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime mfg. If more than 25% of the quarry output is used for other than lime mfg., such operations shall then be classified under Code 1624—Quarry NOC		NONE
1642	LIME MFG. Excavation or digging, mining, or quarrying to be separately rated.	1642	Includes surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624— Quarry NOC.
1655	QUARRY-SURFACE & DRIVERS. Includes construction, repair, or maintenance of all buildings, structures, or equipment; installation of machinery. Applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations shall then be classified under Code 1624—Quarry NOC		NONE

Exhibit 1A (Cont.)

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT LANGUAGE	PROPOSED LANGUAGE	
	<u>1642</u>	<u>LIME MFG.</u> — QUARRY— SURFACE
		Includes construction, repair, or maintenance of all buildings,
		structures, or equipment; installation of machinery. Applicable only
NONE		to surface quarries operated by lime manufacturers, provided that
NONE		at least 75% of the stone quarried is used in the actual lime
		manufacture. If more than 25% of the quarry output is used for
		other than lime mfg., such operations will be classified under
		1624—Quarry NOC.
	4040	OHARRY LIMEGTONE CUREAGE
	<u>1642</u>	QUARRY — LIMESTONE— SURFACE
		Includes construction, repair, or maintenance of all buildings,
		structures, or equipment, installation of machinery; and is
NONE		applicable only to surface quarries operated by lime
NONE		manufacturers, provided that at least 75% of the stone
		guarried is used in the actual lime mfg. If more than 25% of
		the quarry output is used for other than lime mfg., such
		operations will be classified under 1624—Quarry NOC.
		-

Exhibit 1D

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
1853 MICA GOODS MFG. & MICA PREPARING. Mining to be separately rated.	NONE
NONE	1701 MICA GOODS MFG. & MICA PREPARING. Mining to be separately rated.

Exhibit 1E

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
ABRA	ASIVE	
1860	PAPER OR CLOTH PREPARATION. Paper or cloth mfg.	NONE
	to be separately rated.	HONE
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Exhibit 1F

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
NONE	ABRASIVE 4279 PAPER OR CLOTH PREPARATION. Paper or cloth mfg. to be separately rated.

Exhibit 1G

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
2534 FEATHER OR FLOWER MFG. —ARTIFICIAL	NONE
NONE	2501 FEATHER OR FLOWER MFG. —ARTIFICIAL
2534 FLOWER OR FEATHER MFG. —ARTIFICIAL	NONE

Exhibit 1H

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
2534 HAIR GOODS MFG. Applies to products made from human hair.	NONE
NONE	2501 HAIR GOODS MFG. Applies to products made from human hair.

Exhibit 11

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
3175 HEATER OR RADIATOR MFG. Applies to cast iron heaters or radiators.	NONE
NONE	3169 HEATER OR RADIATOR MFG. Applies to cast iron heaters or radiators.
3175 RADIATOR OR HEATER MFG. Applies to cast iron heaters or radiators.	NONE

Exhibit 1J

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY	
3223	LAMP OR PORTABLE LANTERN MFG. Shall not be assigned to a risk engaged in the operations described by another classification unless the operations subject to Code 3223 are conducted as a separate and distinct business.	NONE	
3223	PORTABLE LANTERN OR LAMP MFG. Shall not be assigned to a risk engaged in the operations described by another classification unless the operations subject to Code 3223 are conducted as a separate and distinct business.	NONE	
	NONE	3180 LAMP OR PORTABLE LANTERN MFG. Will not be assigned to an employer engaged in the operations described by another classification unless the operations subject to Code 3180 are conducted as a separate and distinct business.	

Exhibit 1K

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
POTTERY MFG.	
4053 CHINA OR TABLEWARE. Mining, quarrying, or clay digging to be separately rated.	NONE

Exhibit 1L

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
NONE	POTTERY MFG. 4062 CHINA OR TABLEWARE. Mining, quarrying, or clay digging to be separately rated.

Exhibit 1M

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
4 053	TERRA-COTTA MFG. Applies to decorative or architectural	
	terra-cotta. Mining, quarrying, or clay digging to be separately rated.	NONE

Exhibit 1N

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
	4062 TERRA- COTTA MFG. Applies to decorative or
NONE	architectural terra-cotta. Mining, quarrying, or clay
	digging to be separately rated.

Exhibit 10

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY
POTT	ERY MFG.	
4 061	EARTHENWARE GLAZED OR PORCELAIN—HAND MOLDED OR	
	Cast. Codes 4061 and 4062 Pottery mfg. porcelain	
	ware — mechanical press forming shall not be assigned to the	NONE
	same risk unless the operations described by these	
	classifications are conducted as separate and distinct	
	businesses.	

Exhibit 1P

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY	
NONE	POTTERY MFG. 4062	

Exhibit 1Q-1

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
GLASS 4101 MFG. —CUT	NONE
NONE	GLASS 4130 Mfg. —Cut

^{*} Codes 4113 & 4111 are not applicable in Minnesota.

Exhibit 1X

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
DAM O	R LOCK CONSTRUCTION	NONE
6017	Concrete Work— All Operations. Includes work on	
	foundations, or the making, setting up, or taking down of	
	forms, scaffolds, falsework, or concrete distributing	
	apparatus. With respect to non-pneumatic caisson or non-	
	pneumatic cofferdam classification shall apply to the	NONE
	construction, maintenance, or removal of the caisson or	
	cofferdam. Mass rock excavation, pile driving, shaft sinking,	
	tunneling, caisson or cofferdam work to be separately rated.	

Exhibit 1Y

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY	
NONE	DAM OR LOCK CONSTRUCTION	
NONE	CONCRETE WORK—ALL OPERATIONS. Includes work on foundations, or the making, setting up, or taking down of forms, scaffolds, falsework, or concrete-distributing apparatus. With respect to nonpneumatic caisson or nonpneumatic cofferdam operations, the appropriate caisson or cofferdam classification will apply only to the construction, maintenance, or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson, or cofferdam work to be separately rated.	

Exhibit 5A

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY	
AIR CONDITIONING SYSTEMS AIR CONDITIONING SYSTEMS		ONDITIONING SYSTEMS		
8380	AUTOMOBILE— INSTALLATION, SERVICE OR REPAIR & DRIVERS	8380	AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR & DRIVERS Towing for others and roadside assistance to be separately rated.	
AUTO	MOBILE		SAME	
8380	CAR WASH & DRIVERS. Includes incidental greasing, polishing, and servicing. Codes 8380 and 8392—Automobile storage garage shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.	8380	CAR WASH & DRIVERS. Includes incidental greasing, polishing, and servicing. Codes 8380 and 8392—Automobile storage garage must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.	
LEASII	NG COMPANY—LONG-TERM	LEASII	NG COMPANY—LONG-TERM	
8380	ALL OTHER EMPLOYEES & DRIVERS	8380	ALL OTHER EMPLOYEES & DRIVERS Towing for others and roadside assistance to be separately rated.	
8380	Muffler—Installation or Repair & Drivers	8380	Muffler—Installation or Repair & Drivers Towing for others and roadside assistance to be separately rated.	

Exhibit 5B

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
AUTOMOBILE	SAME
8380 SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS. Automobile salespersons to be separately rated as Code 8748.	8380 SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS. Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

Exhibit 5C

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
AUTOM	OBILE	SAME
8380	Service or Repair Center & Drivers. Includes parts department employees. Automobile salespersons to be separately rated as Code 8748. Codes 8380 and 8392—Automobile storage garage shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.	8380 Service or Repair Center & Drivers. Includes parts department employees. Automobile salespersons to be separately rated as Code 8748. Codes 8380 and 8392— Automobile storage garage must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

Exhibit 5D

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
AUTOMOBILE	SAME
8393 Body Repair. Applies to the repair of metal, fiberglass, and plastic automobile bodies and includes upholstering and painting. Codes 8393, 3822, and 3824— Automobile body mfg., Code 3808— Automobile mfg., and Code 8380— Automobile service or repair center shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.	8393 Body Repair & Drivers. Applies to the repair of metal, fiberglass, and plastic automobile bodies and includes upholstering and painting. Codes 8393, 3822, 3824, 3808, and 8380 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.
Employees (usually referred to as service writers) who greet customers for the purpose of discussing problems associated with the customer's vehicle are additionally classified to Code 8393. These service writers will often conduct a cursory inspection of the customer's vehicle and provide an estimate for the anticipated repair work. These employees may also enter the shop area to determine the status of repair work on a customer's vehicle.	SAME

Exhibit 5G

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
AUTOMOBILE	NONE
7228 Towing Companies—Local Hauling Only—No Other OPERATIONS—ALL EMPLOYEES & DRIVERS	NONE
7229 Towing Companies—Long Haul—No Other Operations— ALL Other Employees & Drivers	NONE

Exhibit 5H

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
NONE	AUTOMOBILE
NONE	Towing & Drivers. Includes towing or wrecker companies, road rangers, or freeway patrol companies providing towing, roadside service, or repairs, and automobile recovery or repossession companies. Includes mechanics and the operation of an impound lot operated by a towing company.
NONE	7225 ROADSIDE ASSISTANCE & DRIVERS. Includes operations such as road rangers or freeway patrol companies providing roadside service, repairs, or assistance regardless of whether or not towing services are offered.

Exhibit 5I

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
CONCRETE	SAME
8232♦ READY-MIX DEALER & YARD EMPLOYEES, DRIVERS. Delivery of 82	232♦ READY-MIX DEALER & YARD EMPLOYEES, DRIVERS. Delivery of
concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall be assigned to Codes 7228 and 7229—Trucking.	concrete not owned by the <u>employer</u> either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete <u>must</u> be assigned to <u>the appropriate trucking classification</u> .

Exhibit 5J

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

SAME
NOC— RETAIL & DRIVERS. Includes retail diesel station and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, and automobile maintenance or repair. Codes 8380 and 8392 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.
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Exhibit 5J-1

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
MOBILE HOME	
DELIVERY:	
7228 By Specialist Contractor Local Hauling Only All Employees & Drivers	NONE
7229 BY SPECIALIST CONTRACTOR LONG DISTANCE HAULING ALL EMPLOYEES & DRIVERS	
Moving	
7228 LOCAL HAULING ONLY & DRIVERS NO STORAGE OPERATIONS	NONE
7229 Long Distance Hauling & Drivers No Storage Operations	

Exhibit 5J-2

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY	
NONE	MOBILE HOME DELIVERY: 7219 BY SPECIALIST CONTRACTOR—ALL EMPLOYEES & DRIVERS	
NONE	MOVING 7219 ALL EMPLOYEES & DRIVERS— NO STORAGE OPERATIONS	

Exhibit 5K

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
7360	REFRIGERATOR CAR LOADING OR UNLOADING.	SAME
	Includes caring for freight cars during transit. Stevedoring to	Includes caring for freight cars during transit. Stevedoring to be
	be separately rated. Drivers to be separately rated as Codes	separately rated. Drivers to be separately rated to the appropriate
	7228 and 7229 — Trucking.	trucking classification.
		-

Exhibit 5L

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY PROPOSED PHRASEOLOGY		PROPOSED PHRASEOLOGY
Tire:			SAME
8380	DEALER— RETAIL & DRIVERS. Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of the insured. Codes 8380 and 8392— Automobile storage garage shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Wholesale sales only with no installation classified as Code 8029— Wholesale tire store. Retail sales only with no installation classified as Code 8036— Retail tire store.	8380	DEALER—RETAIL & DRIVERS. Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of the employer . Codes 8380 and 8392— Automobile storage garage must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Wholesale sales only with no installation classified as Code 8029— Wholesale tire store. Retail sales only with no installation classified as Code 8036— Retail tire store. Towing for others and roadside assistance to be separately rated .

Exhibit 5M

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
7228 SCAFFOLDING— DELIVERY OF MATERIALS ONLY— LOCAL HAULING ONLY—NO INSTALLATION, REPAIR OR REMOVAL— ALL EMPLOYEES & DRIVERS	NONE
7229 SCAFFOLDING— DELIVERY OF MATERIALS ONLY— LONG DISTANCE HAULING— NO INSTALLATION, REPAIR OR REMOVAL— ALL EMPLOYEES & DRIVERS	NONE

Exhibit 5N

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
NONE	7219 SCAFFOLDING—DELIVERY OF MATERIALS ONLY— NO
	INSTALLATION, REPAIR, OR REMOVAL—ALL
	EMPLOYEES & DRIVERS

Exhibit 50

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
SNOW REMOVAL	NONE
7228 HAULING SNOW UNDER CONTRACT — LOCAL HAULING ONLY— NO SNOW CLEARING— ALL EMPLOYEES & DRIVERS	NONE
7229 HAULING SNOW UNDER CONTRACT — LONG DISTANCE HAULING ONLY— NO SNOW CLEARING— ALL EMPLOYEES & DRIVERS	NONE

Exhibit 5P

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY	
NONE	SNOW REMOVAL	
NONE	7219 Hauling Snow Under Contract— No Snow Clearing— All Employees & Drivers	

Exhibit 5Q

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY
8380	STORAGE BATTERY SERVICE STATION & DRIVERS.	8380	STORAGE BATTERY SERVICE STATION & DRIVERS
	Codes 8380 and 8392— Automobile storage garage shall		Codes 8380 and 8392 must not be assigned to the same
	not be assigned to the same risk unless the operations		employer unless the operations described by these
	described by these classifications are conducted as		classifications are conducted as separate and distinct
	separate and distinct businesses.		businesses. Towing for others and roadside assistance to
			be separately rated.

Exhibit 5R

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY
STOR	AGE WAREHOUSE		SAME
8292	NOC. Applies to general merchandise. Drivers to be separately	8292	NOC. Applies to general merchandise. Drivers to be separately
	rated as Codes 7228 and 7229 Trucking.		rated to the appropriate trucking classification.

Exhibit 5R-1

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CLASSIFICATIONS INTERPRETATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
TIMBER PRODUCTS—HAULING UNDER CONTRACT EXCLUSIVELY FOR ONE	TIMBER PRODUCTS—HAULING UNDER CONTRACT EXCLUSIVELY FOR ONE
or More Individuals or Concerns. Assign to Codes 7228 and 7229.	or More Individuals or Concerns. Assign to Code 7219. This
This interpretation is applicable only to contract haulers or timber	interpretation is applicable only to contract haulers or timber products
products such as logs, poles, posts, pulpwood, toes, wood chips,	such as logs, poles, posts, pulpwood, toes, wood chips, kiln wood,
kilnwood, cordwood, wood piling who engage in no logging or	cordwood, wood piling who engage in no logging or lumbering,
lumbering, production or preparation of such products. Hauling of logs	production or preparation of such products. Hauling of logs or
or pulpwood in connection with logging operations are to be classed	pulpwood in connection with logging operations are to be classed as
as Code 2702.	Code 2702.

Exhibit 5S

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
TRUCKING. Truckers engaged in hauling under contract, whether for	
one or more individuals or concerns, shall under no circumstances be	
classified and rated except in accordance with the appropriate	
"Trucking" classification.	
Exception: When trucking operations are a secondary business and	
conducted as a separate undertaking or enterprise, the payroll of an	NONE
individual employee may be divided and allocated to other than a	
"Trucking" classification. Refer to Rule 2-G.	
Each classification includes miscellaneous employees such as	
terminal employees, garage employees, and repairers.	
7228 HAULING EXPLOSIVES OR AMMUNITION—LOCAL HAULING ONLY—	
ALL EMPLOYEES & DRIVERS. Maintenance & repair of insured	
vehicles to be assigned to Code 8395 Truck Maintenance &	NONE
Repair.	
7229 HAULING EXPLOSIVES OR AMMUNITION— LONG DISTANCE	
Hauling All Employees & Drivers. Maintenance & repair	
of insured vehicles to be assigned to Code 8395— Truck	NONE
Maintenance & Repair.	

^{* 8395} is a Minnesota State Special Code

Exhibit 5S-1

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
8395 TRUCK MAINTENANCE & REPAIR. This classification applies	8395 TRUCK MAINTENANCE & REPAIR. This classification applies
only to the maintenance and repair of vehicles operated in connection with Codes 7222, 7228, 7229 , 7230, & 7231.	only to the maintenance and repair of vehicles operated in connection with Codes <u>7219</u> , 7222, 7230 & 7231.

^{* 8395} is a Minnesota State Special Code

Exhibit 5T

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
	7219 TRUCKING— HAULING EXPLOSIVES OR AMMUNITION—
	ALL EMPLOYEES & DRIVERS
	Truckers engaged in hauling under contract, whether for one
	or more individuals or concerns, must under no circumstances
	be classified and rated except in accordance with the
	appropriate "Trucking" classification. Exception: When trucking
	operations are a secondary business and conducted as a
	separate undertaking or enterprise, the payroll of an individual
	employee may be divided and allocated to other than
	"Trucking" classification, Refer to Rule 2-G. Each classification
	includes miscellaneous employees such as terminal
	employees and garage employees. Maintenance & repair of
	insured vehicles to be assigned to Code 8395— Truck
	Maintenance & Repair.

^{* 8395} is a Minnesota State Special Code

Exhibit 5U

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY	
8380	TRUCK LEASING— LONG-TERM— ALL OTHER	8380 TRUCK LEASING— LONG-TERM— ALL OTH	HER
	EMPLOYEES & DRIVERS	EMPLOYEES & DRIVERS Towing for others and roadside assistance to be separared.	<u>ately</u>

Exhibit 5V

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
7228	LOCAL HAULING ONLY— ALL EMPLOYEES & DRIVERS. The term	
	"local hauling" as used in this classification means hauling	
	within a radius of two hundred (200) miles from the point of	
	principal garaging. The term "principal garaging" as used	
	above means base terminal. When a base terminal is not	
	utilized, principal garaging means a permanent maintenance	
	garage where vehicles are serviced or stored on a regular	NONE
	basis. When a permanent maintenance garage is not utilized,	
	principal garaging means the residence of the employee.	
	Storage warehouse employees to be separately rated.	
	Maintenance & repair of insured vehicles to be assigned to	
	Code 8395 — Truck Maintenance & Repair.	
7229	LONG DISTANCE HAULING ALL EMPLOYEES & DRIVERS. See	
	CLASSIFICATION INTERPRETATIONS SECTION. The term "long	
	distance hauling" as used in this classification means hauling	
	outside a radius of two hundred (200) miles from the point of	
	principal garaging. The term "principal garaging" as used	
	above means base terminal. When a base terminal is not	
	utilized, principal garaging means a permanent maintenance	NONE
	garage where vehicles are serviced or stored on a regular	
	basis. When a permanent maintenance garage is not utilized,	
	principal garaging means the residence of the employee.	
	Storage warehouse employees to be separately rated.	
	Maintenance & repair of insured vehicles to be assigned to	
	Code 8395 - Truck Maintenance & Repair.	

^{* 8395} is a Minnesota State Special Code

Exhibit 5W

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
	7219 TRUCKING NOC— ALL EMPLOYEES & DRIVERS
	Truckers engaged in hauling under contract, whether for one
	or more individuals or concerns, must under no circumstances
	be classified and rated except in accordance with the
	appropriate "Trucking" classification. Exception: When trucking
	operations are a secondary business and conducted as a
	separate undertaking or enterprise, the payroll of an individual
NONE	employee may be divided and allocated to other than a
	"Trucking" classification. Refer to Rule 2-G. Each classification
	includes miscellaneous employees such as terminal
	employees and garage employees. Maintenance & repair of
	insured vehicles to be assigned to Code 8395— Truck
	Maintenance & Repair.
	Storage warehouse employees to be separately rated.

^{* 8395} is a Minnesota State Special Code

Exhibit 5X

Minnesota Basic Manual

PART TWO — CLASSIFICATIONS

	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY		
WAR	EHOUSING	SAME		
8292	NOC: Applies to general merchandise. Drivers to be separately	8292	NOC: Applies to general merchandise. Drivers to be separately	
	rated as Codes 7228 and 7229 Trucking.		to the appropriate trucking classification.	

Exhibit 6

Minnesota Basic Manual

APPENDIX D— Classifications by Hazard Group

CURRENT P	HRASEOLOGY	PROPOSED PHR	ASEOLOGY
Class Code	Hazard Group A-G	Class Code	Hazard Group A-G
1655	E		
1853	Đ		
3175	c		
3223	A		NONE
4053	c		
4061	B	NONE	
4101	Ð		
6017	E		
7228	E		
7229	F		
NONE	NONE	<u>7219</u>	<u>F</u>
NONE	NONE	<u>7225</u>	<u>E</u>

Exhibit 6 (Cont.)

Minnesota Basic Manual

APPENDIX D— Classifications by Hazard Group

CURRENT PHRASEOLOGY		PROPOSED PHRASEOLOGY		
Class Code	Hazard Group A-G	Class Code	Hazard Group A-G	
1860	В			
253 4	В	NONE	NONE	



National Council on Compensation Insurance

Terri Robinson

State Relations Executive Regulatory Services Division

(P) 501-753-5180 (F) 561-893-5655 Email: Terri_Robinson@ncci.com

November 28, 2016

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

Re: Item B-1435—Revisions to Basic Manual Classifications and Appendix E—Classification by Hazard Group, Including Trucking and Towing

Dear Mr. Miller:

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

This filing memorandum is proprietary and copyrighted by NCCI. NCCI grants your organization permission to copy, use and modify the filing memorandum as necessary for filing in your jurisdiction on the condition that the materials are reprinted for distribution or sale only to members of your organization and only for use in your state. In addition, the modified pages must bear the following copyright legend:

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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,

Terri Robinson

State Relations Executive

TR:ah

Attachment

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

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FILING MEMORANDUM

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

PURPOSE

This item eliminates both national and state special classifications with low credibility. In addition, this item revises the classification treatment of the trucking industry and proposes a new classification specific to the towing industry.

The item will revise, establish, and eliminate certain classifications in NCCl's:

- Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)
- Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan)
- Forms Manual of Workers Compensation and Employers Liability Insurance (Forms Manual)
- Assigned Carrier Performance Standards (ACPS)

BACKGROUND

An analysis of NCCI's classification system identified certain classifications with low credibility that are recommended to be eliminated and reassigned to other national or state special classifications with similar operations and, as applicable, certain statistical codes. NCCI uses the term "low credibility" to identify classifications that are too small to develop meaningful data for ratemaking purposes.

Additionally, the formatting of certain classifications in NCCI's **Basic Manual** must be revised to simplify their display and to improve online search results.

This item also includes proposals for the individual classifications identified in each exhibit, including **format** and **consistency-only** changes, if applicable.

Finally, this item revises the classification treatment of trucking and towing industries.

Classifications With Low Credibility to Be Eliminated

The workers compensation classification 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, on a statewide and national basis, to determine which, if any, should be considered for elimination because of low credibility.

Credibility is the degree of reliance assigned to a certain body of data, expressed as a weight ranging from 0 to 1. NCCI applies credibility in its classification ratemaking methodology. A classification with low credibility has limited premium volume; therefore, it is too small to develop meaningful data for ratemaking purposes, even with the use of national experience in the ratemaking process. Because of the limited premium volume, a large loss in a classification with low credibility adversely affects the volatility of the loss cost or rate for the classification. Classifications with a high degree of credibility are more stable from a ratemaking perspective.

NCCI reviewed the credibility for all classifications based on the latest policy periods used for ratemaking in NCCI's 2015 loss cost and rate filing cycle. As a result of this review, NCCI identified a number of national

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

and state special classifications that have national and state credibility of 25% or less. NCCI considers these classifications to have low credibility.

When determining whether a classification with low credibility should be eliminated and reassigned to another classification with similar operations, NCCI considered:

- The amount of payroll in the classifications.
- The swing limits used for classification ratemaking within a particular state. (The swing limit constrains
 the percentage change, up or down, that the loss cost or rate for a classification may vary from the
 existing loss cost or rate for that classification. The purpose of the swing limit is to avoid extreme
 fluctuations in loss costs or rates from year to year.)

In general, the use and length of a transition program is determined in such a manner as to avoid having the rates/loss costs for codes exceed state swing limits to the extent possible while ensuring that the rates/loss costs are fully transitioned within a maximum of three phases. In cases where two codes are being eliminated and reassigned to the same retained code, a single transition length is determined to apply to both eliminated codes.

NCCI categorized the classifications with low credibility into the following groups, as provided in each fact sheet:

Fact Sheet 1: National classifications where most states have little to no payroll in the classifications and a small number of states have a limited amount of payroll in the classifications. For states with payroll in the classifications, some states require either a two- or three- phase transition program.

Fact Sheet 2: State special classifications with low credibility, to be eliminated without a transition program.

Fact Sheet 3: State special classifications with low credibility, to be eliminated with a two-phase transition program.

Fact Sheet 4: State special classifications with low credibility, to be eliminated with a three-phase transition program.

Low-credibility classifications are recommended for elimination because there are very few employers assigned to the code. In all cases, alternate codes in the classification system include the same or similar exposure as the classification being eliminated.

Classifications that are proposed for elimination are not unique to a single industry group. These classifications represent varied groups including, but not limited to, construction, retail, farming, and manufacturing. The decline in payroll and credibility in these classifications may be due to a number of economic factors. For example, in the manufacturing industry, some products may have simply diminished in popularity, technology has changed over the years, or production has moved overseas, resulting in classifications that are unstable for ratemaking purposes.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

Eliminated classifications may have a small amount of remaining exposure, or the possibility of generating exposure in the future. Anticipating these situations, NCCI has assigned alternate classifications to ensure the proper transition from the eliminated code to an existing code. This is referred to as code mapping.

Below are the guidelines used by NCCI when determining code mapping:

- The proposed classification to be eliminated has an identical match to an existing classification. The only difference is the code number under which the data will be reported.
- In cases where the proposed classification to be eliminated does not map directly to an existing classification, NCCI has identified an alternate classification that most closely describes the business.
- Some eliminated classifications will map to multiple classifications. In these instances, there is not a single classification that best describes the business. Multiple classifications must be considered, depending on the operations of the employer.

Each fact sheet related to low-credibility code elimination includes a table that displays the code mapping. These tables are provided for informational purposes only. The corresponding exhibits display the classification proposed for each state.

Trucking and Towing

NCCI's current classification treatment for the trucking industry uses a 200 mile driving radius to distinguish between local and long haul trucking. A recent review of the trucking industry found several reasons why driving radius is not a useful distinction for classification purposes:

- 1. Common causes of injury and loss costs have not indicated either local or long haul trucking are more hazardous
- 2. It is a challenge to audit driving logs to confirm appropriate classification assignment because many companies and drivers perform both local and long haul trucking
- 3. While the geographic distance driven may be greater for long haul trucking, the time spent behind the wheel may be similar
- 4. Local versus long haul trucking does not necessarily distinguish between interstate and intrastate driving

Finally, research of the trucking industry has determined that the classification treatment for towing should be revised to ensure the fair and equitable treatment of the industry.

Fact Sheet 5: Trucking and Towing explains the elimination of current national trucking Codes 7228 and 7229 and the reestablishment of national Code 7219. In addition, Fact Sheet 5 explains the establishment of national Code 7225 for towing and roadside assistance.

PROPOSAL

This item is presented with fact sheets and exhibits as shown in the Exhibit Comments and Implementation Summary table. The fact sheet for each exhibit details the proposals relating to that exhibit, as well as the background and basis for the proposed changes, the estimated impact of the proposals, and the details of implementation.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

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. The exhibit will show only the proposed changes for the classification impacted by this item. Routine revisions to incorporate plain language are also included in this item.

IMPACT

The fact sheet for each exhibit details the potential impacts specific to each of the proposed changes. 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.

IMPLEMENTATION

This item is applicable to new and renewal policies only, and will become effective concurrent with each state's approved loss cost/rate filing effective on and after October 1, 2017, unless otherwise noted. For example, this item will become effective January 1, 2018, for approved loss cost/rate filings that have a January 1, 2018 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 regular loss cost/rate effective date. The regular loss cost/rate effective date is the date of the state's previous year's loss cost/rate effective date.

Some of the proposals included in this item may require a transition program. Any such recommendations are limited to a maximum of a three-phase transition program. For state special classifications with low credibility to be eliminated, a:

- Two-phase transition program is proposed for Fact Sheet 3
- Three-phase transition program is proposed for Fact Sheet 4

Some proposals related to Fact Sheet 1, National Classifications with Low Credibility to be Eliminated, and Fact Sheet 5, Trucking and Towing, include a transition program, subject to a maximum of three phases. The details corresponding to the initiation and final implementation dates of the transition programs are provided in Exhibits 9-R and 10-R for the following states:

AL, AR, AZ, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, MO, MS, NM, NV, OK, OR, RI, SC, SD, TN, TX, VA, VT, and WV.

Anticipated Effective Dates by State

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

State	Anticipated* Effective Date			
Alabama	March 1, 2018			
Alaska	January 1, 2018			

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

Arizona	January 1, 2018
Arkansas	July 1, 2018
Colorado	January 1, 2018
Connecticut	January 1, 2018
District of Columbia	November 1, 2017
Florida	The effective date of this item depends on the date that regulatory approval is granted. If the item is approved on or before July 1, 2017, it will become effective on January 1, 2018. If it is approved after July 1, 2017, it will become effective on January 1, 2019.
Georgia	March 1, 2018
Hawaii	This item will be implemented in Hawaii's loss cost filing proposed to be effective on January 1, 2018. The effective date will be determined upon regulatory approval of the individual carrier's election to adopt this change.
Idaho	January 1, 2018
Illinois	January 1, 2018
Indiana	January 1, 2018
lowa	January 1, 2018
Kansas	January 1, 2018
Kentucky	October 1, 2017
Louisiana	May 1, 2018
Maine	April 1, 2018
Maryland	January 1, 2018
Mississippi	March 1, 2018
Missouri	January 1, 2018
Montana	July 1, 2018
Nebraska	February 1, 2018
Nevada	March 1, 2018
New Hampshire	January 1, 2018

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

New Mexico	January 1, 2018
Oklahoma	January 1, 2018
Oregon	January 1, 2018
Rhode Island	August 1, 2018
South Carolina	September 1, 2018
South Dakota	July 1, 2018
Tennessee	March 1, 2018
Texas	July 1, 2018
Utah	December 1, 2017
Vermont	April 1, 2018
Virginia	April 1, 2018
West Virginia	November 1, 2017

^{*} Subject to change, depending upon the approved effective date of the loss cost/rate filing if a loss cost/rate filing has been submitted for a state.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibits		Fact Sheet	Exhibit #	Proposal Applicable in:
Basic National Classifications With Low Manual Credibility to Be Eliminated		1A-R	All States Except TX, VA	
		1B-R	All States Except TX, VA	
		1C-R	All States Except TX, VA	
	1	1 1D-R	All States Except TX, VA	
		1E-R	All States Except TX, VA	
		1F-R	All States Except VA	
			1G-R	All States Except TX, VA

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

Exhibits	Fact Sheet	Exhibit #	Proposal Applicable in:
		1H-R	All States Except TX, VA
		1I-R	All States Except TX, VA
		1J-R	All States Except TX, VA
		1K-R	All States Except OR, TX, VA
		1L-R	All States Except OR, VA
		1M-R	All States Except TX, VA
		1N-R	All States Except VA
		10-R	All States Except NM, OR, TX, VA
		1P-R	All States Except NM, OR, VA
		1Q-R	All States Except TX, VA
		1R-R	All States Except TX, VA
		1S-R	All States Except VA
		1T-R	All States Except VA
		1U-R	All States Except FL, TX, VA
		1V-R	All States Except CO, OR, TX, VA
		1W-R	All States Except TX, VA
		1X-R	All States Except LA, MO, RI, TX, VA

FILING MEMORANDUM

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

	Exhibits	Fact Sheet	Exhibit #	Proposal Applicable in:
			1Y-R	All States Except TX, VA
			8-R	LA, NM, OR, TX, VA
	State Special Classifications With Low Credibility to Be Eliminated—No Transition Program	2	2-R	AL, CO, FL, GA, HI, ID, IL, KS, KY, LA, MO, MT, OK, OR, SC, TN, TX
	Transition Frogram		8-R	VA
	State Special Classifications With Low Credibility to Be Eliminated—Two-Phase Transition Program	3	3-R	AZ, GA, IL, MO, OK, RI, TN
	State Special Classifications With Low Credibility to Be Eliminated—Three-Phase Transition	4	4-R	CT, GA, IN, KS, LA, MO, NM, OK, SC, SD, TN, TX, VT
	Program		8-R	VA
		5	5A-R	All States Except HI, LA, MO, OK, OR, RI, TX, VA
			5B-R	All States Except CT, HI, LA, MO, OK, OR, RI, TX, VA
			5C-R	All States Except AK, CT, HI, LA, MO, OK, OR, RI, TN, TX, VA
	Trucking and Towing		5D-R	All States Except CT, HI, LA, MO, OK, RI, TX, VA
			5E-R	All States Except AK, FL, ID, LA, MO, MT, OR, TX, VA
			5F-R	All States Except VA
			5G-R	All States Except AK, CO, FL, ID, LA, MO, MT, OR, TX, VA

FILING MEMORANDUM

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

Exhibits	Fact Sheet	Exhibit #	Proposal Applicable in:
		5H-R	All States Except VA
		5I-R	All States Except AK, FL, ID, LA, MT, NM, OR, TX, VA
		5J-R	All States Except HI, LA, MO, OK, OR, RI, TX, VA
		5K-R	All States Except AK, FL, ID, LA, MT, OR, TX, VA
		5L-R	All States Except HI, LA, MO, OK, OR, RI, TX, VA
		5M-R	All States Except AK, FL, ID, LA, MT, OR, TX, VA
		5N-R	All States Except VA
		50-R	All States Except AK, FL, ID, LA, MT, OR, TX, VA
		5P-R	All States Except VA
		5Q-R	All States Except HI, LA, MO, OK, OR, RI, TX, VA
		5R-R	All States Except AK, FL, ID, LA, MT, OR, TX, VA
		5S-R	All States Except AK, AZ, FL, ID, LA, MO, MT, OR, TX, VA
		5T-R	All States Except VA
		5U-R	All States Except HI, LA, MO, OK, OR, RI, TX, VA

FILING MEMORANDUM

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

	Exhibits	Fact Sheet	Exhibit #	Proposal Applicable in:
			5V-R	All States Except AK, AR, FL, ID, LA, MO, MT, OR, SD, TX, VA
			5W-R	All States Except AR, MO, OR, SD, VA
			5X-R	All States Except AK, FL, ID, LA, MT, OR, TX, VA
			8-R	AK, AR, AZ, CO, CT, FL, HI, ID, IN, LA, MO, MT, NM, OK, OR, RI, SD, TN, TX, VA
	Appendix E—Table of Classifications by Hazard Group	1, 2, 3, 4, 5	6-R	All States
	CCPAP Exhibits	1, 2, 4	7-R	AK, CT, FL, HI, IL, MD, MO, MT, NE, NM, OK, OR, VA
	Additional State-Specific Exhibits	1, 5	8-R	AK, AR, AZ, CO, CT, FL, HI, ID, IN, LA, MO, MT, NM, OK, OR, RI, SD, TN, TX, VA
	Two-Phase Transition Program Details	1, 3, 5	9-R	AL, AR, AZ, CO, FL, GA, HI, IA, ID, IL, IN, KS, KY, MD, MO, MS, NV, OK, OR, RI, SC, TN, VA
	Three-Phase Transition Program Details	1, 4	10-R	AL, AR, AZ, CT, FL, GA, IL, IN, KS, LA, MO, NM, OK, OR, SC, SD, TN, TX, VA, VT, WV
Statistical Plan Coding Values		2	11-R	AZ, CO, GA, MO
Assigned (Carrier Performance Standards	2, 3, 5	12-R	AK, AR, GA, IN, KS, MS, NH, OR, SD

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

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FILING MEMORANDUM

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

Exhibits	Fact Sheet	Exhibit #	Proposal Applicable in:
New Mexico Workers' Compensation Assigned Risk Pool Manual	5	12-R	NM
Forms Manual	1, 2	13-F	FL, VA

Note: Form and rule filings must be filed separately in Florida. For filing purposes, this memorandum and applicable fact sheets are being provided for both the rule and form exhibits. The rule exhibits are filed with the regulatory authority as Item B-1435-R. The form exhibit is filed with the regulatory authority as Item B-1435-F.

EXHIBIT 1—FACT SHEET

NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED

PURPOSE

The purpose of the proposed changes for this industry is to eliminate certain national classifications that have low credibility.

BACKGROUND

NCCI has identified a number of national classifications that have low credibility. Low credibility refers to classifications with insufficient premium to develop meaningful data for ratemaking purposes.

These national classifications must be eliminated and reassigned to other classifications with similar operations. 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.

The national classifications to be eliminated are listed in the Proposal section of this fact sheet. For those states where the difference between the loss costs or rates for the eliminated classification and the proposed classification exceeds the swing limits used for ratemaking within the state, a transition program, subject to a three-phase maximum, is being proposed. States with a transition program are indicated in the following table. Details of the transition programs are provided in Exhibits 9-R and 10-R.

PROPOSAL

This item proposes to:

- 1. Eliminate and revise national classifications as indicated in the following table and exhibits. Refer to the following table and Exhibits 8-R, 9-R, and 10-R for state-specific information.
- 2. Revise Appendix E—Table of Classifications by Hazard Group to show the codes being eliminated or added. Refer to Exhibit 6-R.
- 3. Revise state-specific contracting classification credit programs for Alaska, Connecticut, Florida, Hawaii, Illinois, Maryland, Missouri, Montana, Nebraska, New Mexico, Oklahoma, Oregon, and Virginia to show the classifications being eliminated. Refer to Exhibit 7-R.

National Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)	States With Two-Phase Transition Program*	States With Three- Phase Transition Program**
1655—Lime Mfg.—Quarry—Surface—& Drivers 1655—Quarry—Limestone —Surface—& Drivers	1642—Lime Mfg.—Quarry—Surface 1642—Quarry—Limestone—Surface 7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial***	MS, OK	FL, MO
1741—Flint or Spar Grinding & Drivers 1741—Silica Grinding & Drivers 1741—Spar or Flint Grinding & Drivers	1701—Flint or Spar Grinding 1701—Silica Grinding 7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial***	AL, GA, KY, MO	KS, VA, WV

EXHIBIT 1—FACT SHEET (CONT'D)

National Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)	States With Two-Phase Transition Program*	States With Three- Phase Transition Program**
1853—Mica Goods Mfg. & Mica Preparing	1701—Mica Goods Mfg. & Mica Preparing	AL, GA, KY, MO	KS, VA, WV
1860—Abrasive Paper or Cloth Preparation	4279—Abrasive Paper or Cloth Preparation	CO, IN, KS, KY, MO, NV, SC	AZ, FL, IL, OR, VT
2534—Feather or Flower Mfg.—Artificial 2534—Flower or Feather Mfg.—Artificial 2534—Hair Goods Mfg.	2501—Feather or Flower Mfg.—Artificial 2501—Hair Goods Mfg.	CO, FL, IA, IN, OR, RI	AL, CT, GA, SC, VA
3175—Heater or Radiator Mfg. 3175—Radiator or Heater Mfg.	3169—Heater or Radiator Mfg.	None	None
3223—Lamp or Portable Lantern Mfg. 3223—Portable Lantern or Lamp Mfg.	3180—Lamp or Portable Lantern Mfg.	None	None
4053—Pottery Mfg.—China or Tableware 4053—Terra-Cotta Mfg.	4062—Pottery Mfg.—China or Tableware 4062—Terra-Cotta Mfg.	MD	IN
4061—Pottery Mfg.—Earthenware—Glazed or Porcelain—Hand Molded or Cast	4062—Pottery Mfg.—Earthenware—Glazed or Porcelain—Hand Molded or Cast	MD	IN
4113—Glass Mfg.—Cut	4111—Glass Mfg.—Cut	IN, KY	GA, VT, WV
4282—Boot or Shoe Pattern Mfg. 4282—Dress Pattern Mfg.—Paper 4282—Music Roll Mfg.—Perforated Paper 4282—Shoe or Boot Pattern Mfg.	4279—Boot or Shoe Pattern Mfg. 4279—Dress Pattern Mfg.—Paper 4279—Music Roll Mfg.—Perforated Paper	CO, IN, KS, KY, MO, NV, SC	AZ, FL, IL, OR, VT
4439—Lacquer or Varnish Manufacturing	4558—Lacquer or Varnish Manufacturing	None	TX
5069—Iron or Steel—Erection—Construction of Dwellings Not Over Two Stories in Height 5069—Military Reservation—Construction—Iron or Steel Erection—Not Over Two Stories in Height	5059—Iron or Steel—Erection—Construction of Dwellings Not Over Two Stories in Height 5059—Military Reservation—Construction—Iron or Steel Erection—Not Over Two Stories in Height	HI, TN, VA	FL
6017—Dam or Lock Construction—Concrete Work—All Operations	5213—Dam or Lock Construction—Concrete Work—All Operations	ID, IL, OR	AR, FL, OK

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 1—FACT SHEET (CONT'D)

^{*} The listed states have a two-phase transition program; refer to Exhibit 9-R for details.

^{**} The listed states have a three-phase transition program; refer to Exhibit 10-R for details.

^{***} The proposed national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

EXHIBIT 1—FACT SHEET (CONT'D)

IMPACT

NCCI conducted a review of the latest policy periods used for ratemaking in NCCI's 2015 loss cost and rate filing cycle to determine if a transition program was needed to minimize the impact of these proposed changes. Based on the result of this review, codes in most states will receive no transition and codes in some states will receive a two-phase or three-phase transition program. Where applicable, using a transition program will help minimize the impact to both individual employer premium charges and overall statewide premium. Historical experience from the discontinued national codes will be reassigned to the corresponding national codes when the eliminated code maps primarily to one corresponding national code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding national codes. Negligible impact to overall statewide premium is expected as a result of these changes.

STATE-SPECIFIC PROPOSALS AND IMPACTS

Colorado Proposal:

NCCI is proposing all exhibits in Colorado except Exhibit 1V-R. Although Code 5069 does not apply in Colorado, NCCI is proposing that national Code 5059 (Exhibit 1W-R) be adopted in Colorado to be consistent with the national treatment. National Code 5059—Iron or Steel—Erection—Frame Structures Not Over Two Stories in Height already applies in Colorado. Therefore, this proposal will not result in a change in classification treatment.

Colorado Impact:

Because NCCI is proposing all exhibits in Colorado except Exhibit 1V-R, the national impact detailed above applies in Colorado. Because Code 5059 already applies in Colorado, no premium impact is expected as a result of not proposing Exhibit 1V-R.

Florida Proposal:

NCCI is proposing all exhibits in Florida except Exhibit 1U-R. Exhibit 1U-R is not being proposed because:

- Code 4439 does not apply in Florida
- Current Florida state special for Code 4558—Paint, Lacquer or Varnish Manufacturing will be maintained.

In addition, Form 09-4D—Florida Contracting Classification Premium Adjustment Program (CCPAP) Workers Compensation Premium Credit Application will be updated to reflect the elimination of Codes 5069 (Exhibit 1V-R) and 6017 (1X-R). Refer to Exhibit 13-F for details.

Florida Impact:

Because NCCI is proposing all exhibits in Florida except Exhibit 1U-R, the national impact detailed above applies in Florida. Because Code 4558 already applies in Florida, no premium impact is expected as a result of not proposing Exhibit 1U-R or proposing Exhibit 13-F.

Louisiana Proposal:

NCCI is proposing all exhibits in Louisiana except Exhibit 1X-R because Louisiana has a state special phraseology for Code 6017. NCCI proposes that Louisiana discontinue state special Code 6017—Dam or Lock Construction—Concrete Work—All Operations and adopt the proposed national phraseology for

EXHIBIT 1—FACT SHEET (CONT'D)

Code 5213 detailed in Exhibit 1Y-R. National Code 5213—Concrete Construction NOC currently applies in Louisiana. Also, refer to Exhibit 8-R for Louisiana state special phraseology details.

Louisiana Impact:

Because NCCI is proposing all exhibits in Louisiana except Exhibit 1X-R (but is proposing Exhibit 8-R in its place), the national impact detailed above applies in Louisiana. The premium impact in Louisiana is also expected to be the same as the proposed national treatment for Exhibits 1X-R and 1Y-R because national Code 5213 already applies in Louisiana.

Missouri Proposal:

NCCI is proposing all exhibits in Missouri except Exhibit 1X-R, which discontinues national Code 6017. Although Code 6017 is not applicable in Missouri, NCCI is proposing that national Code 5213—Dam or Lock Construction—Concrete Work—All Operations (Exhibit 1Y-R) be adopted to be consistent with the proposed national treatment. Code 5213—Concrete Construction NOC currently applies in Missouri with a state special note.

Missouri Impact:

Because NCCI is proposing all exhibits in Missouri except Exhibit 1X-R, the national impact detailed above applies in Missouri. Because Code 5213 already applies in Missouri, no premium impact is expected as a result of not proposing Exhibit 1X-R.

New Mexico Proposal:

NCCI is proposing all exhibits in New Mexico except Exhibits 1O-R and 1P-R. New Mexico has a state special phraseology for Code 4061 in place of the national phraseology for Code 4061. National Code 4061 is being discontinued as shown in Exhibit 1O-R and being replaced with Code 4062. As a result, NCCI proposes that New Mexico discontinue their phraseology for Code 4061 and establish a new state special phraseology for Code 4062 in place of the national phraseology proposed in Exhibit 1P-R. Refer to Exhibit 8-R for New Mexico's Code 4062 phraseology.

New Mexico Impact:

Because NCCI is proposing all exhibits in New Mexico except Exhibits 10-R and 1P-R, the national impact detailed above applies in New Mexico. The premium impact in New Mexico is expected to be the same as the proposed national treatment for Exhibits 10-R and 1P-R.

Oregon Proposal:

This item proposes Exhibits 1A-R through 1J-R, 1M-R, 1N-R, 1Q-R through 1U-R, 1W-R through 1Y-R, and 8-R in Oregon. Below is an explanation about why certain exhibits are not proposed in Oregon and why state-specific Exhibit 8-R is being proposed.

- 1. Exhibits 1K-R and 1O-R are not being proposed in Oregon because Oregon has state special phraseologies for Codes 4053 and 4061, respectively, in place of the national phraseologies for both codes. Both national Codes 4053 and 4061 are being discontinued (Exhibits 1K-R and 1O-R) and being reassigned to national Code 4062 (Exhibits 1L-R and 1P-R). However, NCCI is proposing that Oregon:
 - Discontinue their state special phraseologies for Codes 4053 and 4061 (Exhibit 8-R)
 - Establish state special phraseologies for Code 4062 (Exhibit 8-R) in place of the proposed national phraseologies for Code 4062

EXHIBIT 1—FACT SHEET (CONT'D)

National Code 4062—Pottery Mfg.—Porcelain Ware—Mechanical Press Forming currently applies in Oregon.

- 2. Exhibit 1V-R is not being proposed in Oregon because Code 5069 is not applicable in Oregon. Although Code 5069 is not applicable, NCCI is proposing that national Code 5059 (Exhibit 1W-R) be adopted in Oregon to be consistent with the national treatment. Code 5059 already applies in Oregon with the following phraseologies, which NCCI is not proposing to change:
 - Iron Or Steel—Erection—Frame Structures Not Over Two Stories In Height (national)
 - Iron or Steel Erection—One- to Two-Story Frame Structures Including Dwellings (Oregon state-special phraseology)
 - Swimming Pool—Construction—Iron or Steel Erection—One- to Two-Story Frame Structure—applies to construction of iron or steel swimming pools (Oregon state-special phraseology)

Because Code 5069 is not applicable in Oregon, this proposal will not change the classification treatment for Oregon employers.

Oregon Impact:

Because NCCI is proposing all exhibits in Oregon except Exhibits 1K-R, 1L-R, 1O-R, 1P-R, and 1V-R, the national impact detailed above applies in Oregon. Because Codes 4062 and 5059 already apply in Oregon, no premium impact is expected as a result of proposing Exhibit 8-R.

Rhode Island Proposal:

NCCI is proposing all exhibits in Rhode Island except Exhibit 1X-R, which discontinues national Code 6017. Although Code 6017 is not applicable in Rhode Island, NCCI is proposing that national Code 5213—Dam or Lock Construction—Concrete Work—All Operations (Exhibit 1Y-R) be adopted to be consistent with the proposed national treatment. National Code 5213—Concrete Construction NOC currently applies in Rhode Island.

Rhode Island Impact:

Because NCCI is proposing all exhibits in Rhode Island except Exhibit 1X-R, the national impact detailed above applies in Rhode Island. Because Code 5213 already applies in Rhode Island, no premium impact is expected as a result of not proposing Exhibit 1X-R.

Texas Proposal:

This item proposes Exhibits 1F-R, 1L-R, 1N-R, 1P-R, 1S-R, 1T-R, and 8-R in Texas. Below is a list of all exhibits addressed in Fact Sheet 1 explaining why certain exhibits are not proposed in Texas or why state-specific Exhibit 8-R is proposed.

- 1. Exhibit 1A-R is not proposed because Codes 1655 and 1642 do not apply in Texas. NCCI is not proposing any changes to lime manufacturing or limestone quarry operations in Texas. 1A-R is not being proposed because Codes 1655 and 1642 are not applicable in Texas.
- 2. Exhibits 1B-R and 1C-R are not proposed because Code 1741 does not apply in Texas. Flint, spar, and silica grinding are assigned to Code 1701 in Texas, which NCCI is not proposing to change.
- 3. Exhibit 1D-R is not proposed because Code 1853 does not apply in Texas. Mica goods manufacturing and mica preparing are assigned to Code 1701 in Texas, which NCCI is not proposing to change.
- 4. Exhibit 1E-R is not proposed because Code 1860 does not apply in Texas. However, Exhibit 1F-R is being proposed in Texas to clarify that these employers should be classified under Code 4279.

EXHIBIT 1—FACT SHEET (CONT'D)

- 5. Exhibits 1G-R and 1H-R are not proposed in Texas. It is proposed that Texas retain their current Code 2534 state special phraseologies. It is also proposed that Texas retain existing national phraseologies for artificial feather or flower manufacturing as state special phraseologies. Refer to Exhibit 8-R for details.
- 6. Exhibit 1I-R is not proposed in Texas because Codes 3175 and 3169 do not apply in Texas. NCCI is not proposing any changes to the assignment of heater or radiator manufacturing or stove manufacturing in Texas.
- 7. Exhibit 8-R is proposed in place of Exhibit 1J-R in Texas. NCCI proposes that Texas:
 - Discontinue Code 3223 and its three state special phraseologies of Lamp Mfg. & Repair, Lantern or Lamp Mfg. NOC, and Lantern or Lamp Mfg. NOC.
 - Establish two state special phraseologies for national Code 3179 instead of the national treatment detailed in Exhibit 1H-R; Code 3179 currently applies in Texas with state special phraseology: Electric or Gas Lighting Fixtures Mfg.
- 8. Exhibits 1K-R, 1M-R, and 1O-R are not being proposed in Texas because Code 4053 and Code 4061 do not apply in Texas. Texas has similar state special phraseologies for Code 4062. Both national Codes 4053 and 4061 are being discontinued (Exhibits 1K-R, 1-M-R, and 1O-R) and reassigned to national Code 4062 (Exhibits 1L-R, 1N-R, and 1P-R). However, NCCI is proposing that Texas:
 - Discontinue their two state special phraseologies for Code 4062 (Exhibit 8-R).
 - Adopt the national pottery and terra cotta manufacturing classification treatment for Code 4062 (Exhibits 1L-R, 1N-R, and 1P-R).
- 9. Exhibit 1Q-R is not proposed in Texas because Codes 4111 and 4113 do not apply in Texas.
- 10. Exhibit 1R-R is not proposed in Texas because these phraseologies are not applicable in Texas. Texas has similar state special phraseologies for Code 4282. However, NCCI is proposing that Texas:
 - Discontinue its boot, dress, and shoe pattern manufacturing state special Code 4282 phraseologies (Exhibit 8-R).
 - Discontinue national Code 4282—Music Roll Mfg.—Perforated Paper (Exhibit 1S-R).
 - Adopt the three proposed national Code 4279 phraseologies detailed in Exhibit 1T-R.
- 11. Exhibit 1U-R is not proposed in Texas because the national phraseology, Lacquer or Varnish Manufacturing for Code 4439 is not applicable in Texas. Texas has four different state special phraseologies for Code 4439. However, it is proposed that Texas:
 - Discontinue its lacquer, spirit, and varnish manufacturing state special Code 4439 phraseologies (Exhibit 8-R).
 - Establish four new state specials for Code 4558 detailed in Exhibit 8-R.
- 12. Exhibits 1V-R and 1-W-R are not proposed in Texas because Codes 5059 and 5069 do not apply in Texas. In Texas, iron or steel dwelling erection/construction is assigned based on the height of the dwelling not being over three stories in height. This is unlike the national requirement of not being over two stories in height. NCCI is not proposing a change to the current Texas classification treatment of these operations.
- 13. Exhibits 1X-R and 1Y-R are not proposed in Texas because Code 6017—Dam or Lock Construciton—Concrete Work—All Operations does not apply in Texas. Texas has a state special phraseology for dam construction for Code 6045 which NCCI is not proposing to change.

Texas Impact:

The national impact detailed above applies in Texas. Because some of the national codes either already apply in Texas, or certain changes are not being made, no premium impact is expected as a result of not proposing the exhibits detailed above.

EXHIBIT 1—FACT SHEET (CONT'D)

Virginia Proposal:

NCCI proposes that Virginia adopt the treatments detailed in Exhibit 8-R. Refer to the table shown in the Proposal section of Fact Sheet 1 for a list of the classifications revised in Exhibit 8-R. In addition, the following codes will also be revised in Exhibit 8-R because they refer to the codes shown in the table in the proposal section of Fact Sheet 1:

- Code 1016—Coal Mining—NOC
- Code 1164—Mining NOC—Not Coal—Underground—& Drivers
- Code 1165—Mining NOC—Not Coal—Surface & Drivers
- Code 1624—Quarry NOC & Drivers
- Code 2651—Shoe Stock Mfg.
- Code 2660—Boot or Shoe Mfg. NOC
- Code 2790—Pattern Making NOC
- Code 3224—Enamel Ware Mfg.
- Code 4021—Brick or Clay Products Mfg. NOC & Drivers
- Code 4114—Glassware Mfg. NOC
- Code 4828—Chemical Blending or Mixing NOC—All Operations and Drivers
- Code 4829—Chemical Mfg. NOC—All Operations & Drivers—Includes Blending or Mixing
- Code 6217—Excavation & Drivers

Accordingly, the Virginia Special Classifications in NCCI's **Basic Manual** will be updated to reflect the approved revisions.

In addition, Form 45-3D—Virginia Contracting Classification Premium Adjustment Program (CCPAP) Workers Compensation Premium Credit Application (Exhibit 13-F) will be updated to reflect the elimination of Codes 5069 and 6017 (Exhibit 8-R).

Virginia Impact:

Because NCCI is proposing the same changes in Virginia as what is being proposed nationally but in a different format, the national impact detailed above applies in Virginia. The proposed updates to the Virginia Special Classifications in NCCI's **Basic Manual** descriptions are not expected to have an additional premium impact.

EXHIBIT 1A-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4655 QUARRY—LIMESTONE—SURFACE & DRIVERS

Includes construction, repair, or maintenance of all buildings, structures, or equipment, installation of machinery; and is applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime mfg. If more than 25% of the quarry output is used for other than lime mfg., such operations shall then be classified under Code 1624—Quarry NOC.

1642 LIME MFG.

Excavation or digging, mining, or quarrying to be separately rated. Includes surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624—Quarry NOC.

1655

Quarry—Surface & Drivers. Includes construction, repair, or maintenance of all buildings, structures, or equipment; installation of machinery. Applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations shall then be classified under Code 1624—Quarry NOC.

1642 LIME MFG.—QUARRY—SURFACE

Includes construction, repair, or maintenance of all buildings, structures, or equipment; installation of machinery. Applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624—Quarry NOC.

1642 QUARRY—LIMESTONE—SURFACE

Includes construction, repair, or maintenance of all buildings, structures, or equipment, installation of machinery; and is applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime mfg. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624—Quarry NOC.

EXHIBIT 1B-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

1741 FLINT OR SPAR GRINDING & DRIVERS.

Digging, mining, or quarrying to be separately rated.

4744 SILICA GRINDING & DRIVERS.

Digging, mining, or quarrying to be separately rated.

4744 SPAR OR FLINT GRINDING & DRIVERS.

Digging, mining, or quarrying to be separately rated.

EXHIBIT 1C-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

1701 FLINT OR SPAR GRINDING

Digging, mining, or quarrying to be separately rated.

1701 SILICA GRINDING

Digging, mining, or quarrying to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 1D-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4853 MICA GOODS MFG. & MICA PREPARING.

Mining to be separately rated.

1701 MICA GOODS MFG. & MICA PREPARING

Mining to be separately rated.

EXHIBIT 1E-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4860 ABRASIVE PAPER OR GLOTH PREPARATION

Paper or cloth mfg. to be separately rated.

EXHIBIT 1F-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

4279 ABRASIVE PAPER OR CLOTH PREPARATION

Paper or cloth mfg. to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 1G-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

2534	FEATHER OR FLOWER MFG.—ARTIFICIAL
<u>2501</u>	FEATHER OR FLOWER MFG.—ARTIFICIAL
253 4	FLOWER OR FEATHER MFG.—ARTIFICIAL

EXHIBIT 1H-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

2534 HAIR GOODS MFG.

Applies to products made from human hair.

2501 HAIR GOODS MFG.

Applies to products made from human hair.

EXHIBIT 11-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

3175 HEATER OR RADIATOR MFG.

Applies to cast iron heaters or radiators.

3169 HEATER OR RADIATOR MFG.

Applies to cast iron heaters or radiators.

3175 RADIATOR OR HEATER MFG.

Applies to cast iron radiators or heaters.

EXHIBIT 1J-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

3223 LAMP OR PORTABLE LANTERN MFG.

Shall not be assigned to a risk engaged in the operations described by another classification unless the operations subject to Code 3223 are conducted as a separate and distinct business.

2223 PORTABLE LANTERN OR LAMP MFG.

Shall not be assigned to a risk engaged in the operations described by another classification unless the operations subject to Gode 3223 are conducted as a separate and distinct business.

3180 LAMP OR PORTABLE LANTERN MFG.

Will not be assigned to an employer engaged in the operations described by another classification unless the operations subject to Code 3180 are conducted as a separate and distinct business.

EXHIBIT 1K-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

4053 POTTERY MFG.—CHINA OR TABLEWARE

Mining, quarrying, or clay digging to be separately rated.

EXHIBIT 1L-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, RI, SC, SD, TN, TX, UT, VT, WV)

4062 POTTERY MFG.—CHINA OR TABLEWARE

Mining, quarrying, or clay digging to be separately rated.

PAC

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 1M-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4053 TERRA-COTTA MFG.

Applies to decorative or architectural terra-cotta. Mining, quarrying, or clay digging to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 1N-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

4062 TERRA-COTTA MFG.

Applies to decorative or architectural terra-cotta. Mining, quarrying, or clay digging to be separately rated.

EXHIBIT 10-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NV, OK, RI, SC, SD, TN, UT, VT, WV)

4061 POTTERY MFG.—EARTHENWARE—GLAZED OR PORCELAIN—HAND MOLDED OR CAST

Codes 4061 and 4062—Pottery mfg.—porcelain ware—mechanical press forming shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Mining, guarrying, or clay digging to be separately rated.

EXHIBIT 1P-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NV, OK, RI, SC, SD, TN, TX, UT, VT, WV)

4062 POTTERY MFG.—EARTHENWARE—GLAZED OR PORCELAIN—HAND MOLDED OR CAST Mining, quarrying, or clay digging to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 1Q-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4113 GLASS MFG.—CUT

4111 GLASS MFG.—CUT

EXHIBIT 1R-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4282 BOOT OR SHOE PATTERN MFG.

Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 4282 are conducted as a separate and distinct business.

4282 DRESS PATTERN MFG.—PAPER

Includes designers, drafting employees, and cutters. Magazine printing to be separately rated as Gode 4299—Printing.

4282 SHOE OR BOOT PATTERN MFG.

Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Gode 4282 are conducted as a separate and distinct business.

EXHIBIT 1S-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

4282 MUSIC ROLL MFG.—PERFORATED PAPER.

Paper mfg. to be separately rated as Code 4239.

EXHIBIT 1T-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

4279 BOOT OR SHOE PATTERN MFG.

Must not be assigned to an employer performing operations described by another classification unless the operations subject to Code 4279 are conducted as a separate and distinct business.

4279 DRESS PATTERN MFG.—PAPER

Includes designers, drafting employees, and cutters. Magazine printing to be separately rated as Code 4299.

4279 MUSIC ROLL MFG.—PERFORATED PAPER

Paper mfg. to be separately rated as Code 4239.

EXHIBIT 1U-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED PART TWO—CLASSIFICATIONS

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

4439 LACQUER OR VARNISH MANUFACTURING

Includes mixing of thinners or solvents but not nitrocellulose manufacturing. Assign risks that manufacture nitrocellulose, thinners, or solvents to the appropriate chemical classification, Gode 4828 or Gode 4829.

4558 LACQUER OR VARNISH MANUFACTURING

Includes mixing of thinners or solvents but not nitrocellulose manufacturing. Assign employers that manufacture nitrocellulose, thinners, or solvents to the appropriate chemical classification, Code 4828 or Code 4829.

EXHIBIT 1V-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED PART TWO—CLASSIFICATIONS

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

- 5069• IRON OR STEEL—ERECTION—CONSTRUCTION OF DWELLINGS NOT OVER TWO STORIES IN HEIGHT
- 5069• MILITARY RESERVATION—CONSTRUCTION—IRON OR STEEL ERECTION—NOT OVER TWO STORIES IN HEIGHT

Applies only to the construction or repair of buildings designed for the housing, welfare, and keep of personnel. All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations must be assigned to appropriate classifications.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 1W-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED PART TWO—CLASSIFICATIONS

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

- 5059
 IRON OR STEEL—ERECTION—CONSTRUCTION OF DWELLINGS NOT OVER TWO STORIES IN HEIGHT
- 5059 MILITARY RESERVATION—CONSTRUCTION—IRON OR STEEL ERECTION—NOT OVER TWO STORIES IN HEIGHT

Applies only to the construction or repair of buildings designed for the housing and welfare of personnel. All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations must be assigned to the appropriate classifications.

EXHIBIT 1X-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED PART TWO—CLASSIFICATIONS

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

6017• DAM OR LOCK CONSTRUCTION—CONCRETE WORK—ALL OPERATIONS

Includes work on foundations, or the making, setting up, or taking down of forms, scaffolds, falsework, or concrete distributing apparatus. With respect to non-pneumatic caisson or non-pneumatic cofferdam operations, the appropriate caisson or cofferdam classification shall apply only to the construction, maintenance, or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson or cofferdam work to be separately rated.

EXHIBIT 1Y-RULE—NATIONAL CLASSIFICATIONS BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

5213● DAM OR LOCK CONSTRUCTION—CONCRETE WORK—ALL OPERATIONS

Includes work on foundations, or the making, setting up, or taking down of forms, scaffolds, falsework, or concrete-distributing apparatus. With respect to nonpneumatic caisson or nonpneumatic cofferdam operations, the appropriate caisson or cofferdam classification will apply only to the construction, maintenance, or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson, or cofferdam work to be separately rated.

EXHIBIT 2—FACT SHEET

STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM

PURPOSE

The purpose of the proposed changes is to eliminate certain state special classifications that have low credibility.

BACKGROUND

NCCI has identified a number of state special classifications that have low credibility. Low credibility refers to classifications with insufficient premium to develop meaningful data for ratemaking purposes.

These state special classifications must be eliminated and reassigned to other classifications with similar operations. 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.

The state special classifications to be eliminated are listed in the Proposal section of this fact sheet.

PROPOSAL

This item proposes to:

- 1. Eliminate state special classifications and assign these operations to national classifications as indicated in the following table and exhibits.
- 2. Revise Appendix E—Table of Classifications by Hazard Group to show codes being eliminated or added. Refer to Exhibit 6-R.
- 3. Revise state-specific contracting classification credit programs for Illinois, Montana, and Virginia to show the classifications being eliminated and added. Refer to Exhibit 7-R.
- 4. Revise the Statistical Plan to show statistical codes being eliminated. Refer to Exhibit 11-R.
- Revise Assigned Carrier Performance Standards to show classifications being eliminated. Refer to Exhibit 12-R.

State	State Special Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)
AL	8399—Truck or Trailer Body Repair Shop—All Employees & Parts Department Employees, Drivers	3822—Automobile, Bus, Truck or Trailer Body Mfg.—Die—Pressed Steel* 3824—Automobile, Bus, Truck or Trailer Body Mfg. NOC* 7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial*
FL	4710—Candle Mfg. 4710—Sealing Wax Mfg. 4710—Tallow Chandlers 4710—Wax Mfg. 4710—Wax Products Mfg.	4557—Candle Mfg. 4557—Sealing Wax Mfg.*** 4557—Tallow Chandlers*** 4557—Wax Mfg. 4557—Wax Products Mfg.
HI	0078—Plantation—Sugar or Pineapple & Drivers	0037—Plantation—Sugar or Pineapple & Drivers***
ID	8277—Jockeys—Horse 8279—Racetrack Operation—Horse or Dog—Stable Hands or Kennel Employees & Drivers 8279—Stable or Breeding Farm & Drivers	8279—Racetrack Operation—Horse or Dog—Stable Hands or Kennel Employees & Drivers 8279—Stable or Breeding Farm & Drivers

EXHIBIT 2—FACT SHEET (CONT'D)

State	State Special Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)
IL	2942—Crayon, Pencil, or Penholder Mfg.	4432—Pen Mfg.*
	5539—Metal Building Erection—Prefabricated & Drivers	5059—Metal Building Erection—Prefabricated & Drivers***
KS	4586—Ammonium Nitrate Mfg.	4829—Ammonium Nitrate Mfg.***
KY	2741—Cooperage Stock Mfg.	2735—Cooperage Stock Mfg.
LA	2118—Cannery—Crabmeat—All Operations	2111—Cannery—Crabmeat—All Operations***
	4743—Gasoline Recovery & Drivers	4740—Gasoline Recovery & Drivers
MT	8105—Store—Hide or Leather Dealer	8018—Store—Wholesale—NOC*
	9552—Sign Installation, Maintenance, Repair, Removal, or Replacement—Outside of Buildings & Drivers 9552—Sign Manufacturing—With Installation Outside of Buildings & Drivers 9552—Sign Painting or Lettering—Outside of Buildings & Drivers	3064—Sign Manufacturing—Metal 3064—Sign Manufacturing—Neon 3064—Sign Manufacturing—Silk Screen Printing—Metal 9554—Sign Installation, Maintenance, Repair, Removal, or Replacement NOC—Away From Shop & Drivers 9554—Sign Painting or Lettering—Outside of Buildings or Structures & Drivers
OK	1852—Asbestos Goods Mfg.	Multiple equivalent national classifications, depending on the method of manufacturing*
OR	2086—Meat, Fish or Poultry—Poultry Processors	2089—Meat, Fish, or Poultry Butchering, Packing House, or Slaughtering—All Operations****
	6869F—Ship Breaking	6843F—Ship Breaking—Iron or Steel—NOC & Drivers—Coverage Under U.S. Act*** 6854—Ship Breaking—Iron or Steel—NOC & Drivers—Coverage Under State Act Only*** 6845F—Ship Breaking—Naval & Drivers*** 6801F—Ship Breaking—Wood—NOC & Drivers—Coverage Under U.S. Act*** 6811—Ship Breaking—Wood—NOC & Drivers—Coverage Under State Act Only***
SC	1852—Asbestos Goods Mfg.	Multiple equivalent national classifications, depending on the method of manufacturing*
TN	0400—Cotton—Compressing & Drivers	8295—Cotton Compressing & Drivers***
	1429—Magnesium Metal Mfg.—All Operations & Drivers	1438—Magnesium Metal Mfg.—All Operations & Drivers

EXHIBIT 2—FACT SHEET (CONT'D)

State	State Special Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)
TX	3639—Explosives or Ammunition—Projectile or Shell Mfg. & Drivers	3632—Explosives or Ammunition Mfg.—Projectile or Shell Mfg. 7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial*
	4743—Gasoline Recovery & Drivers	4740—Gasoline Recovery & Drivers
	9552—Advertising Co. & Drivers 9552—Bill Posting & Drivers 9552—Decorating & Drivers 9552—Flag or Bunting Erection—Decorations for Conventions & Drivers 9552—Highway Sign Erection & Drivers 9552—Sign Erection Overhead, Highways & Drivers 9552—Sign Mfg.—Erection, Repair, or Maintenance & Shop, Drivers 9552—Sign Painting or Lettering—Outside of Building or Structures & Drivers	3064—Sign Manufacturing—Metal 3064—Sign Manufacturing—Neon 3064—Sign Manufacturing—Silk Screen Printing—Metal 9554—Sign Installation, Maintenance, Repair, Removal, or Replacement NOC—Away From Shop & Drivers 9554—Sign Painting or Lettering—Outside of Buildings or Structures & Drivers
VA	1852—Asbestos Goods Mfg.	Multiple equivalent national classifications, depending on the method of manufacturing*
	2055—Peanut Handling	8102—Peanut Handling
	2740—Stave Mfg.	2735—Barrel Stock Mfg.**
	5067—Iron or Steel Erection—Metal Bridges	5040—Iron or Steel Erection—Metal Bridges**

^{*} The proposed national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

^{****}Eliminated state special classification and assigned to a different, existing state special.

State	State Special Classification or Statistical Code to Be Eliminated	Proposed National Classification or Statistical Code
CO	4761—Explosives or Ammunition Mfg.—Fireworks Mfg. & Drivers 4771—Explosives or Ammunition Mfg.—NOC & Drivers	4771—Explosives or Ammunition Mfg. NOC & Drivers
	0761—For Reporting Nonratable Portion of Rate for Code 4761	0771—For Reporting Nonratable Portion of Rate for Code 4771*
GA	2942—Crayon, Pencil, or Penholder Mfg.	4432—Pen Mfg.*
	4773—Explosives or Ammunition Mfg.—High Explosives Mfg. & Drivers	4771—Explosives or Ammunition Mfg.—NOC & Drivers*
	0773—For Reporting Nonratable Portion of Rate for Code 4773	0771—For Reporting Nonratable Portion of Rate for Code 4771*

^{**} The indicated state special phraseology currently applies in this state. Therefore, no state exhibit is proposed for approval.

^{***} A state special phraseology and note is proposed for approval in this state.

EXHIBIT 2—FACT SHEET (CONT'D)

State	State Special Classification or Statistical Code to Be Eliminated	Proposed National Classification or Statistical Code
МО	4597—Buffing or Polishing Compounds Mfg. 4597—Dressing or Polish Mfg. 4597—Ink (Writing), Mucilage or Paste Mfg. 4597—Mucilage, Ink (Writing) or Paste Mfg. 4597—Paste, Ink (Writing) or Mucilage Mfg. 4597—Polish or Dressing Mfg. 4597—Saddle Soap Mfg.	4557—Saddle Soap Mfg.*** 4557—Buffing or Polishing Compounds Mfg. Dressing or Polish Mfg. Ink Mfg. Mucilage or Paste Mfg.
	9186—Carnival, Circus, or Amusement Device Operator—Traveling—All Employees & Drivers	9186—Carnival, Circus, or Amusement Device Operator—Traveling—All Employees & Drivers

^{*} The proposed national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

IMPACT

NCCI conducted a review using the latest approved loss cost/rate filing experience to determine the need for a transition program to minimize the impact of these proposed changes. Based on the result of this review, no transition is being proposed. Historical experience from the discontinued state special codes will be reassigned to the corresponding national codes when the eliminated code maps primarily to one corresponding national code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding national or state special codes. Negligible impact to overall statewide premium is expected as a result of these changes.

Virginia Proposal:

NCCI recommends that Virginia adopt the proposed treatment for Codes 2055, 2740, and 5067 (Exhibit 8-R). Accordingly, the Virginia Special Classifications section in NCCI's **Basic Manual** will be updated for the following codes:

- Code 2055—Peanut Handling will be eliminated and Peanut Handling will be added to Code 8102 as a cross-reference phraseology.
- Code 2740—Stave Mfg. will be eliminated. No revision to Code 2735 is required. The note for Code 2735—Barrel Stock Mfg. already includes the manufacture of staves.
- Code 5067—Iron or Steel Erection—Metal Bridges will be eliminated. No revision to Code 5040 is required. The phraseology, Iron or Steel Erection—Metal Bridges, is already reflected for Code 5040 as a cross-reference phraseology.

In addition, Form 45-3D—Virginia Contracting Classification Premium Adjustment Program (CCPAP) Workers Compensation Premium Credit Application (Exhibit 13-F) will be updated to reflect the elimination of Code 5067 (Exhibit 8-R).

Virginia Impact:

The premium impact in Virginia is equivalent to the impact determined by the proposed national treatment. The proposed updates to the Virginia Special Classifications in NCCI's **Basic Manual** descriptions are not expected to have an additional premium impact.

^{**} The indicated state special phraseology currently applies in this state. Therefore, no state exhibit is proposed for approval.

^{***} A state special phraseology and note is proposed for approval in this state.

EXHIBIT 2-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—NO TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: AL)

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: CO)

4761 EXPLOSIVES OR AMMUNITION MFG.

Fireworks Mfg. & Drivers. Fireworks exhibition to be separately rated as Gode 9180.

Code 0761 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0761 is not subject to experience rating or retrospective rating.

NOG & 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; 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.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATION TO BE APPLICABLE (Applies in: CO)

4771 EXPLOSIVES OR AMMUNITION MFG. 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.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: FL)

4710 CANDLE MFG.

Must not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 4710 are conducted as a separate and distinct business.

4710 SEALING WAX MFG.

Must not be assigned to a risk engaged in operations described by another classification unless the operations described by Gode 4710 are conducted as a separate and distinct business.

4557 SEALING WAX MFG.

Must not be assigned to an employer engaged in operations described by another classification unless the operations described by Code 4557 are conducted as a separate and distinct business.

4710 TALLOW CHANDLERS

Must not be assigned to a risk engaged in operations described by another classification unless the operations described by Gode 4710 are conducted as a separate and distinct business.

4557 TALLOW CHANDLERS

Must not be assigned to an employer engaged in operations described by another classification unless the operations described by Code 4557 are conducted as a separate and distinct business.

4710 WAX MFG.

Must not be assigned to a risk engaged in operations described by another classification unless the operations described by Gode 4710 are conducted as a separate and distinct business.

4710 WAX PRODUCTS MFG.

Must not be assigned to a risk engaged in operations described by another classification unless the operations described by Gode 4710 are conducted as a separate and distinct business.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: FL)

4557 CANDLE MFG.

Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 4557 are conducted as a separate and distinct business.

4557 WAX MFG.

4557 WAX PRODUCTS MFG.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: GA)

2942 GRAYON, PENCIL, OR PENHOLDER MFG.

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. Gode 0773 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Gode 0773 is not subject to experience rating or retrospective rating.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: HI)

9978■ PLANTATION—Sugar or Pineapple & Drivers

Includes cannery and mill employees. Refer to Code 2021 for sugar manufacturing and refining from sugar cane or sugar beets.

0037■ PLANTATION—SUGAR OR PINEAPPLE & DRIVERS

Includes cannery and mill employees. Refer to Code 2021 for sugar manufacturing and refining from sugarcane or sugar beets.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: ID)

8277 JOCKEYS—HORSE

8279■ RACETRACK OPERATION—HORSE OR DOG—STABLE HANDS OR KENNEL EMPLOYEES

& DRIVERS

Jockeys to be separately rated as Code 8277.

8279■ STABLE OR BREEDING FARM & DRIVERS

Applies to the training of racehorses, polo ponies, and horses for exhibition purposes. Includes trainers. Jockeys to be separately rated as Code 8277.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: ID)

- 8279■ RACETRACK OPERATION—HORSE OR DOG—STABLE HANDS OR KENNEL EMPLOYEES & DRIVERS
- 8279■ STABLE OR BREEDING FARM & DRIVERS.

Applies to the training of racehorses, polo ponies, and horses for exhibition purposes. Includes jockeys and trainers.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: IL)

2942 GRAYON, PENCIL, OR PENHOLDER MFG.

5539● METAL BUILDING ERECTION—PREFABRICATED & DRIVERS

Includes metal roofing or metal framework when performed by employees of the same contractor. Concrete work and roofing other than metal roofing installation to be separately rated.

5059● METAL BUILDING ERECTION—PREFABRICATED & DRIVERS

Includes metal roofing or metal framework when performed by employees of the same contractor. Concrete work and roofing other than metal roofing installation to be separately rated.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: KS)

4586 AMMONIUM NITRATE MFG.

Includes dehydration and graining. Manufacturing of ammonia and nitric acid to be separately rated to Gode 4829.

4829 AMMONIUM NITRATE MFG.

Includes dehydration and graining. Mfg. of ammonia and nitric acid to be separately rated as Code 4585—Ammonia mfg.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: KY)

2741 GOOPERAGE STOCK MFG.

Applies to the manufacture of heads, hoops, or staves. Cooperage assembly to be separately rated as Gode 2881.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATION TO BE APPLICABLE (Applies in: KY)

2735 COOPERAGE STOCK MFG.

Applies to the manufacture of heads, hoops, or staves. Cooperage assembly to be separately rated as Code 2881.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: LA)

2118	GANNERY—GRABMEAT—ALL OPERATIONS
<u>2111</u>	CANNERY—CRABMEAT—ALL OPERATIONS
4743	GASOLINE—RECOVERY & DRIVERS
	Applies to recovery from casing head or natural gas.

EXHIBIT 2-RULE

BASIC MANUAL—2001 EDITION

FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE

ELIMINATED—NO TRANSITION PROGRAM

NATIONAL CLASSIFICATION TO BE APPLICABLE

(Applies in: LA)

4740 GASOLINE RECOVERY & DRIVERS.

Applies to recovery from casing head or natural gas.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: MO)

4597	BUFFING OR POLISHING COMPOUNDS MFG.	
4597	DRESSING OR POLISH MFG.	
	Applies to shoe, stove, harness, furniture, automobile, or metal polish or dressing mfg. Can mfg. to be separately rated as Code 3220.	
4597	INK (WRITING), MUCILAGE, OR PASTE MFG.	
4597	PASTE , I NK (WRITING), OR MUCILAGE MF G.	
4597	POLISH OR DRESSING MFG.	
	Applies to shoe, stove, harness, furniture, automobile, or metal polish or dressing mfg. Can mfg. to be separately rated as Code 3220.	
4597	MU CIL AGE , I NK (WRITING), OR PASTE MFG.	
4597	SADDLE SOAP MFG.	
<u>4557</u>	SADDLE SOAP MFG.	

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: MO)

4557	BUFFING OR POLISHING COMPOUNDS MFG.
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4557 DRESSING OR POLISH MFG.

Applies to shoe, stove, harness, furniture, automobile, or metal polish or dressing mfg. Can mfg. to be separately rated as Code 3220.

4557 INK MFG.

4557 MUCILAGE OR PASTE MFG.

EXHIBIT 2-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—NO TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: MO)

9486 GARNIVAL, CIRCUS, OR AMUSEMENT DEVICE OPERATOR—TRAVELING—ALL EMPLOYEES & DRIVERS

EXHIBIT 2-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—NO TRANSITION PROGRAM
NATIONAL CLASSIFICATION TO BE APPLICABLE
(Applies in: MO)

9186 CARNIVAL, CIRCUS, OR AMUSEMENT DEVICE OPERATOR—TRAVELING—ALL EMPLOYEES & DRIVERS

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: MT)

- 8105♦ STORE—HIDE OR LEATHER DEALER
- 9552• SIGN INSTALLATION, MAINTENANGE, REPAIR, REMOVAL, OR REPLACEMENT—OUTSIDE OF BUILDINGS & DRIVERS

Includes sign manufacturing and bill posting. Codes 9521 and 9552 shall not be assigned to the same policy, except for separate and distinct business operations.

- 9552• SIGN MANUFACTURING—WITH INSTALLATION OUTSIDE OF BUILDINGS & DRIVERS

 Godes 3064 and 9552 shall not be assigned to the same policy, except for separate and distinct business operations.
- 9552• SIGN PAINTING OR LETTERING—OUTSIDE OF BUILDINGS & DRIVERS
- 3064 SIGN MANUFACTURING—WITH NO INSTALLATION OUTSIDE OF BUILDINGS

Use Gode 9521 for installation inside of buildings and the outside of buildings at ground level when only hand tools and stepladders are used.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: MT)

9554 SIGN INSTALLATION, MAINTENANCE, REPAIR, REMOVAL, OR REPLACEMENT NOC—AWAY FROM SHOP & DRIVERS

Includes the installation, maintenance, and repair of billboard signs. Not advertising display installation service. Shop operations to be separately rated. Codes 9521 and 9554 shall not apply at the same job or location.

3064 SIGN MANUFACTURING—METAL

Sign installation, maintenance, repair, removal, or replacement—away from shop to be separately rated as Codes 9521 or 9554.

3064 SIGN MANUFACTURING—NEON

Sign installation, maintenance, repair, removal, or replacement—away from shop to be separately rated as Codes 9521 or 9554.

3064 SIGN MANUFACTURING—SILK SCREEN PRINTING—METAL

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 Codes 9521 or 9554.

9554
SIGN PAINTING OR LETTERING—OUTSIDE OF BUILDINGS OR STRUCTURES & DRIVERS
Code 9554 shall not be assigned at the same job or location to which Code 9501—Sign painting or lettering inside of buildings applies.

EXHIBIT 2-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—NO TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: OK)

4852 ASBESTOS GOODS MFG.

Includes spinning or weaving.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: OR)

MEAT, FISH, OR POULTRY

Also see Store in Part Two pages.

Note:

- Codes 2089 and 8021. Code 2089 Butchering, packing house or slaughtering and Code 8021 — Meat, fish or poultry dealer — wholesale — store shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses.
- Codes 2089 and 2095. Gode 2089 Butchering, packing house or slaughtering and Gode 2095 — Meat products manufacturing — NOC shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses.
- 3. Codes 2086, 2104 and 8021. Code 2086—Poultry processors, Code 2104—Seafood processors and Code 8021—Meat, fish or poultry—dealer—wholesale—store may all be assigned to the same riskemployer.
- Butchering, Packing House or Slaughtering—All Operations. Applies to butchering, handling of livestock, preparation of dressed meat, rendering, washing of casings, salting of hides or cooking of offal and further processing of meat into bologna, etc. See Meat, fish or poultry Notes 1 and 2.
- **Dealer—Wholesale.** Applies to a dealer or store engaged in the wholesale sale of fresh meat, fish or poultry, including the cutting and packaging of fresh meat. See Meat, fish or poultry Notes 1 and 3.
- Meat, Grocery and Provision—Combined—Retail NOC. Applicable to a store where the employer's books of accounts show that the cost of fresh and cured meats, poultry, or fish did not exceed 65% of the total cost of all merchandise purchased during the policy period. Where the insured cannot satisfactorily establish that the cost of fresh and cured meats, poultry, or fish constituted less than 65% of the total cost of all merchandise purchased during the policy period, the store shall be assigned to Gode 8031—Store—meat, fish or poultry—retail. See Meat, fish or poultry—retail
- 2095 Meat Products Mfg.—NOG. Applies to the preparation of meat products, as long as the business or employees do not handle or slaughter livestock. Products include smoked or preserved beef and pork cuts, smoked hams, sausage and includes dehydration of meats, wrapping, storage and incidental sale of fresh meat cuts. See Meat, fish or poultry Note 2.
- **2086** Poultry Processors. Applies to initial cleaning, eviscerating and processing of poultry. See Meat, fish or poultry Note 3.
- **Retail.** Applies to a store engaged in the retail sale of fresh meat, fish or poultry. See Meat, grocery and provisions—combined—retail NOC.
- **Seafood Processors.** Applies to initial cleaning, eviscerating and processing of seafood and to businesses engaged in fish curing. Can manufacturing to be separately rated as Gode 3220. See Meat, fish or poultry Note 3.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: OR)

2089 MEAT, FISH, OR POULTRY—BUTCHERING, PACKING HOUSE, OR SLAUGHTERING—ALL OPERATIONS

Applies to butchering, handling of livestock, preparation of dressed meat, rendering, washing of casings, salting of hides or cooking of offal, and further processing of meat into bologna, etc.

See Meat, fish, or poultry Notes 1, 2, and 3.

2095 MEAT, FISH, OR POULTRY—MEAT PRODUCTS MFG.—NOC

Applies to the preparation of meat products, as long as the business or employees do not handle or slaughter livestock. Products include smoked or preserved beef and pork cuts, smoked hams, sausage; and includes dehydration of meats, wrapping, storage, and incidental sale of fresh meat cuts.

See Meat, fish, or poultry Note 2.

2104 MEAT, FISH, OR POULTRY—SEAFOOD PROCESSORS

Applies to initial cleaning, eviscerating, and processing of seafood and to businesses engaged in fish curing. Can manufacturing to be separately rated as Code 3220.

See Meat, fish, or poultry Note 3.

8021♦ MEAT, FISH, OR POULTRY DEALER—WHOLESALE

Applies to a dealer or store engaged in the wholesale sale of fresh meat, fish, or poultry, including the cutting and packaging of fresh meat.

See Meat, fish, or poultry Notes 1 and 3.

8031♦ MEAT, FISH, OR POULTRY—RETAIL

Applies to a store engaged in the retail sale of fresh meat, fish, or poultry. See Meat, grocery, and provisions—combined—retail NOC.

8033♦ MEAT, FISH OR POULTRY—MEAT, GROCERY, AND PROVISION—COMBINED—RETAIL NOC

Applicable to a store where the employer's books of accounts show that the cost of fresh and cured meats, poultry, or fish did not exceed 65% of the total cost of all merchandise purchased during the policy period. Where the employer cannot satisfactorily establish that the cost of fresh and cured meats, poultry, or fish constituted less than 65% of the total cost of all merchandise purchased during the policy period, the store must be assigned to Code 8031—Store—meat, fish, or poultry—retail.

See Meat, fish, or poultry—retail.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: OR)

6869F	SHIP BREAKING
<u>6854</u>	SHIP BREAKING—IRON OR STEEL NOC & DRIVERS—COVERAGE UNDER STATE ACT ONLY
	Includes yard and shop operations.
<u>6843F</u>	SHIP BREAKING—IRON OR STEEL—NOC & DRIVERS—COVERAGE UNDER U.S. ACT Includes yard and shop operations.
6845F	SHIP BREAKING—NAVAL & DRIVERS
00431	Includes yard and shop operations.
<u>6811</u>	SHIP BREAKING—WOOD NOC & DRIVERS—COVERAGE UNDER STATE ACT ONLY
	Includes yard and shop operations.
6801F	SHIP BREAKING—WOOD—NOC & DRIVERS—COVERAGE UNDER US ACT
	Includes yard and shop operations.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 2-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—NO TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: SC)

4852 ASBESTOS GOODS MFG.

Includes spinning or weaving.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: TN)

0400 COTTON COMPRESSING & DRIVERS

Godes 0400 and 0401—Cotton gin must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses.

1429 MAGNESIUM METAL MFG.—ALL OPERATIONS & DRIVERS

Milling or grinding of magnesium metal, mining or quarrying to be separately rated.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: TX)

3639 Explosives or Ammunition—Projectile or Shell Mfg. & Drivers

Includes incidental "nosing in." Not cartridge or shell case mfg. Forging or casting of shapes or loading or testing with explosives to be separately rated.

4743 Gasoline Recovery & Drivers

Applies to recovery from casing head or natural gas.

9552● Advertising Co. & Drivers

Applicable to outdoor advertising companies and includes shop operations; the erection, painting, repair, maintenance, or removal of signs; sign painting or lettering in or upon buildings or structures.

9552 Bill Posting & Drivers

9552● Decorating & Drivers

Applies to interior or exterior work, including the hanging of flags or bunting for conventions or celebrations.

- 9552 Flag or Bunting Erection—Decorations for Conventions & Drivers
- 9552 Highway Sign Erection & Drivers
- 9552 Sign Erection Overhead, Highways & Drivers
- 9552● Sign Mfg.—Erection, Repair, or Maintenance & Shop, Drivers
- 9552• Sign Painting or Lettering—Outside of Building or Structures & Drivers
 Includes shop operations.

3064 Sign Mfg.—Metal

Godes 3064 and 9552—Sign mfg. shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

EXHIBIT 2-RULE BASIC MANUAL—2001 EDITION FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—NO TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: TX)

3632 EXPLOSIVES OR AMMUNITION MFG.—PROJECTILE OR SHELL MFG.

Includes incidental "nosing in." Not cartridge or shell case mfg. Forging or casting of shapes or loading or testing with explosives to be separately rated.

4740 GASOLINE RECOVERY & DRIVERS.

Applies to recovery from casing head or natural gas.

9554 SIGN INSTALLATION, MAINTENANCE, REPAIR, REMOVAL, OR REPLACEMENT NOC—AWAY FROM SHOP & DRIVERS

Includes the installation, maintenance, and repair of billboard signs. Not advertising display installation service. Shop operations to be separately rated. Codes 9521 and 9554 shall not apply at the same job or location.

3064 SIGN MANUFACTURING—METAL

Sign installation, maintenance, repair, removal, or replacement—away from shop to be separately rated as Codes 9521 or 9554.

3064 SIGN MANUFACTURING—NEON

Sign installation, maintenance, repair, removal, or replacement—away from shop to be separately rated as Codes 9521 or 9554.

3064 SIGN MANUFACTURING—SILK SCREEN PRINTING—METAL

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 Codes 9521 or 9554.

9554 SIGN PAINTING OR LETTERING—OUTSIDE OF BUILDINGS OR STRUCTURES & DRIVERS Code 9554 shall not be assigned at the same job or location to which Code 9501—Sign painting or lettering inside of buildings applies.

EXHIBIT 3—FACT SHEET

STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—TWO-PHASE TRANSITION PROGRAM

PURPOSE

The purpose of the proposed changes is to eliminate certain state special classifications that have low credibility.

BACKGROUND

NCCI has identified a number of state special classifications that have low credibility. Low credibility refers to classifications with insufficient premium to develop meaningful data for ratemaking purposes.

These state special classifications must be eliminated and reassigned to other classifications with similar operations. 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.

The state special classifications to be eliminated are listed in the Proposal section of this fact sheet. Because the difference between the loss costs or rates for the eliminated classification and the proposed classification exceeds the swing limits used for ratemaking within the state, a two-phase transition program is being proposed. Details of the transition program are provided in Exhibit 9-R.

PROPOSAL

This item proposes to:

- 1. Eliminate state special classifications and assign these operations to national classifications as indicated in the following table and exhibits. Refer to Exhibit 9-R for details on the two-phase transition program.
- 2. Revises Appendix E—Table of Classifications by Hazard Group to account for the proposed changes.
- Revise Assigned Carrier Performance Standards to show a classification being eliminated. Refer to Exhibit 12-R.

State	State Special Classification to Be Eliminated Following a Two-Phase Transition Program	Proposed National Classification (Unless Otherwise Noted)
AZ	0400—Cotton Compressing & Drivers	8103—Cotton Merchant*
GA	7500—Gas Company—Works & Salespersons, Drivers	7502—Gas Company—Works & Salespersons, Drivers**
IL	8105—Store—Hide or Leather Dealer	8018—Store—Wholesale NOC*
MO	2791—Pipe Mfg.—Wooden, Tobacco	2841—Pipe Mfg.—Wooden, Tobacco
ОК	8753—Grocery, Tea or Coffee Dealer—Retail—& Salespersons, Drivers	8006—Grocery, Tea, or Coffee Dealer—Retail—& Salespersons, Drivers**
RI	2386—Lace Mfg.	2501—Cloth, Canvas and Related Products Mfg. NOC*
TN	5539—Metal Building Erection—Prefabricated & Drivers	5059—Metal Building Erection—Prefabricated & Drivers** 5059—Iron or Steel—Erection—Frame Structures Not Over Two Stories in Height*

^{*} The proposed national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

^{**} A state special phraseology and note is proposed for approval in this state.

EXHIBIT 3—FACT SHEET (CONT'D)

IMPACT

NCCI conducted a review using the latest approved loss cost/rate filing experience to determine the need for a transition program to minimize the impact of these proposed changes. Based on the result of this review, a two-phase transition is being proposed. Using a transition program will help minimize the impact to both individual employer premium charges and overall statewide premium. Historical experience from the discontinued state special codes will be reassigned to the corresponding national codes when the eliminated code maps primarily to one corresponding national code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding national codes. Negligible impact to overall statewide premium is expected as a result of these changes.

EXHIBIT 3-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—TWO-PHASE TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: AZ)

0400 COTTON—COMPRESSING & DRIVERS

Includes incidental warehouses. Godes 0400 and 0401—Cotton gin must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses.

EXHIBIT 3-RULE BASIC MANUAL—2001 EDITION FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—TWO-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: GA)

7500 GAS—COMPANY—WORKS & SALESPERSONS, DRIVERS

Applies to all operations including store employees and meter-readers. Construction of buildings or gasholders to be separately rated.

7502 GAS—COMPANY—WORKS & SALESPERSONS, DRIVERS

Applies to all operations including store employees and meter readers. Construction of buildings or gasholders to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 3-RULE

BASIC MANUAL—2001 EDITION

FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE

ELIMINATED—TWO-PHASE TRANSITION PROGRAM

SPECIAL CLASSIFICATIONS

(Applies in: IL)

8105♦ STORE—HIDE OR LEATHER DEALER

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 3-RULE

BASIC MANUAL—2001 EDITION

FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE

ELIMINATED—TWO-PHASE TRANSITION PROGRAM

SPECIAL CLASSIFICATIONS

(Applies in: MO)

2791 PIPE MFG.—WOODEN, TOBAGGO

EXHIBIT 3-RULE

BASIC MANUAL—2001 EDITION

FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE

ELIMINATED—TWO-PHASE TRANSITION PROGRAM

NATIONAL CLASSIFICATION TO BE APPLICABLE

(Applies in: MO)

2841 PIPE MFG.—WOODEN, TOBACCO

EXHIBIT 3-RULE BASIC MANUAL—2001 EDITION FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—TWO-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: OK)

8753♦ GROCERY, TEA OR COFFEE DEALER—RETAIL & SALESPERSONS, DRIVERS

Applies to house to house sale of coffee, tea or groceries and includes incidental stores or warehouses.

8006♦ GROCERY, TEA, OR COFFEE DEALER—RETAIL & SALESPERSONS, DRIVERS

Applies to house-to-house sale of coffee, tea, or groceries and includes incidental stores or warehouses.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 3-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—TWO-PHASE TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: RI)

2386 LAGE MFG.

EXHIBIT 3-RULE BASIC MANUAL—2001 EDITION FACT SHEET 3—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—TWO-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: TN)

5539● METAL BUILDING ERECTION—PREFABRICATED & DRIVERS

Includes metal roofing or metal framework when performed by employees of the same contractor. Concrete work and roofing other than metal roofing installation to be separately rated.

5059● METAL BUILDING ERECTION—PREFABRICATED & DRIVERS

Includes metal roofing or metal framework when performed by employees of the same contractor. Concrete work and roofing other than metal roofing installation to be separately rated.

EXHIBIT 4—FACT SHEET

STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM

PURPOSE

The purpose of the proposed changes is to eliminate certain state special classifications that have low credibility.

BACKGROUND

NCCI has identified a number of state special classifications that have low credibility. Low credibility refers to classifications with insufficient premium to develop meaningful data for ratemaking purposes.

These state special classifications must be eliminated and reassigned to other classifications with similar operations. 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.

The state special classifications to be eliminated are listed in the Proposal section of this fact sheet. Because the difference between the loss costs or rates for the eliminated classification and the proposed classification exceeds the swing limits used for ratemaking within the state, a three-phase transition program is being proposed. Details of the transition program are provided in Exhibit 10-R.

PROPOSAL

This item proposes to:

- 1. Eliminate state special classifications and assign these operations to national classifications as indicated in the following table and exhibits. Refer to Exhibit 10-R for details on the three-phase transition programs.
- 2. Revise Appendix E—Table of Classifications by Hazard Group to show codes being eliminated or added. Refer to Exhibit 6-R.
- 3. Revise state-specific contracting classification credit programs for Missouri to show the classifications being eliminated. Refer to Exhibit 7-R.

In some cases, the state special classification to be eliminated is referenced in other classifications. Any references to the eliminated codes in other classifications will be revised for consistency.

State	State Special Classification to Be Eliminated Following a Three-Phase Transition Program	Proposed National Classification (Unless Otherwise Noted)
СТ	2386—Lace Mfg.	2501—Cloth, Canvas and Related Products Mfg. NOC*
	2560—Umbrella Mfg.	2501—Umbrella Mfg.
GA	4597—Buffing and Polishing Compounds Mfg. 4597—Dressing or Polish Mfg. 4597—Ink (Writing), Mucilage or Paste Mfg. 4597—Mucilage, Ink (Writing) or Paste Mfg. 4597—Paste, Ink (Writing) or Mucilage Mfg. 4597—Polish or Dressing Mfg. 4597—Saddle Soap Mfg.	4557—Saddle Soap Mfg.** 4557—Buffing or Polishing Compounds Mfg. 4557—Dressing or Polish Mfg. 4557—Ink Mfg. 4557—Mucilage or Paste Mfg.
IN	4716—Lard Refining	4683—Lard Refining
KS	4743—Gasoline Recovery & Drivers	4740—Gasoline Recovery & Drivers
LA	4750—Synthetic Rubber Intermediate Mfg.	4829—Synthetic Rubber—Intermediate Mfg.*

EXHIBIT 4—FACT SHEET (CONT'D)

State	State Special Classification to Be Eliminated Following a Three-Phase Transition Program	Proposed National Classification (Unless Otherwise Noted)
MO	5067—Bridge Building—Metal	5040—Bridge Building—Metal**
	5505—Paving or Road Surfacing or Scraping NOC & Yards, Drivers	5506—Street or Road Construction—Paving or Repaving & Drivers* 8227—Construction or Erection Permanent Yard*
NM	4743—Gasoline Recovery & Drivers	4740—Gasoline Recovery & Drivers
OK	3571—Air Pressure or Steam Gauge Mfg. 3571—Steam or Air Pressure Gauge Mfg.	3574—Air Pressure or Steam Gauge Mfg.
	8048—Store—Fruit or Vegetable—Wholesale	8018—Store—Fruit or Vegetable—Wholesale*
SC	3516—Loom Harness or Reed Mfg. 3516—Reed or Loom Harness Mfg.	3515—Loom Harness or Reed Mfg.
SD	8862—Casino Gambling—Clerical Office Employees	9044—Casino Gambling—Hotel—All Employees & Clerical, Salespersons, Drivers 9062—Casino Gambling—All Employees & Clerical, Salespersons, Drivers
	9044—Casino Gambling—Hotel—All Employees & Salespersons, Drivers	9044—Casino Gambling—Hotel—All Employees & Clerical, Salespersons, Drivers
	9062—Casino Gambling—All Employees & Salespersons, Drivers	9062—Casino Gambling—All Employees & Clerical, Salespersons, Drivers
TN	2913—Rattan, Willow, or Twisted Fiber Products Mfg. 2913—Willowware Mfg.	2883—Furniture Manufacturing and Cabinet Shop—Wood—NOC*
	3639—Explosives or Ammunition Mfg.—Projectile or Shell Mfg.	3632—Explosives or Ammunition Mfg.—Projectile or Shell Mfg.
	7500—Gas Company—Gas Works & Salespersons, Drivers	7502—Gas Company—Gas Works & Salespersons, Drivers**
TX	4417—Boot or Shoe Mfg.—Rubber 4417—Shoe or Boot Mfg.—Rubber or Combined Rubber and Fabric	4410—Shoe or Boot Mfg.—Rubber or Combined Rubber and Fabric** 4410—Boot or Shoe Mfg.—Rubber
VA	2576—Awning or Tent Mfg.—Shop 2576—Bag or Sack Mfg.—Cloth 2576—Bag Renovating 2576—Sail Making	2501—Awning or Tent Mg.—Shop*** 2501—Bag or Sack Mfg.—Cloth*** 2501—Bag Renovating*** 2501—Sail Making***
VT	1745—Hone or Oil Stone Mfg. 1745—Oil or Hone Stone Mfg. 1745—Soapstone or Soapstone Products Mfg.	1803—Hone or Oil Stone Mfg. & Drivers 1803—Oil or Hone Stone Mfg. & Drivers 1803—Soapstone or Soapstone Products Mfg. & Drivers

^{*} The proposed national phraseology currently applies in this state. Therefore, no national exhibit is proposed for approval.

EXHIBIT 4—FACT SHEET (CONT'D)

- ** A state special phraseology and note is proposed for approval in this state.
- ***These changes are reflected in the updates to Code 2501 as a result of Fact Sheet 1

IMPACT

NCCI conducted a review using the latest approved loss cost/rate filing experience to determine the need for a transition program to minimize the impact of these proposed changes. Based on the result of this review, a three-phase transition is being proposed. Using a transition program will help minimize the impact to both individual employer premium charges and overall statewide premium. Historical experience from the discontinued state special codes will be reassigned to the corresponding national codes when the eliminated code maps primarily to one corresponding national code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding national codes. Negligible impact to overall statewide premium is expected as a result of these changes.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: CT)

2386 LAGE MFG.

2560 UMBRELLA MFG.

Mfg. of frames, handles or hardware to be separately rated.

EXHIBIT 4-RULE

BASIC MANUAL—2001 EDITION

FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE

ELIMINATED—THREE-PHASE TRANSITION PROGRAM

NATIONAL CLASSIFICATION TO BE APPLICABLE

(Applies in: CT)

2501 UMBRELLA MFG.

Mfg. of frames, handles, or hardware to be separately rated.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: GA)

4597	BUFFING AND POLISHING COMPOUNDS MFG.
4597	DRESSING OR POLISH MFG.
	Applies to shoe, stove, harness, furniture, automobile or metal polish or dressing mfg. Can mfg. to be separately rated as Gode 3220.
4597	INK (WRITING), MUCILAGE OR PASTE MFG.
4597	MU CIL AG E, IN K (WRITING) OR PASTE MFG.
4597	PAST E, I NK (Writing) or mu cil age Mf g.
4597	POLISH OR DRESSING MFG.
	Applies to shoe, stove, harness, furniture, automobile or metal polish or dressing mfg. Can mfg. to be separately rated as Code 3220.
4597	SADDLE SOAP MFG.
<u>4557</u>	SADDLE SOAP MFG.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: GA)

4557	BUFFING OR POLISHING COMPOUNDS MFG.
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4557 DRESSING OR POLISH MFG.

Applies to shoe, stove, harness, furniture, automobile, or metal polish or dressing mfg. Can mfg. to be separately rated as Code 3220.

4557 INK MFG.

4557 MUCILAGE OR PASTE MFG.

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: IN)

4716 LARD REFINING

Codes 4716 and 2089—Packing house must not be assigned to the same risk unless the operations described by this classification are conducted as a separate and distinct business.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM NATIONAL CLASSIFICATION TO BE APPLICABLE (Applies in: IN)

4683 LARD REFINING.

Codes 4683 and 2089—Packing house shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: KS)

4743 GASOLINE REGOVERY & DRIVERS.

Applies to recovery from casing head or natural gas.

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
NATIONAL CLASSIFICATION TO BE APPLICABLE
(Applies in: KS)

4740 GASOLINE RECOVERY & DRIVERS.

Applies to recovery from casing head or natural gas.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: LA)

4750 SYNTHETIC RUBBER INTERMEDIATE MFG.

Oil refining, gasoline recovery, acetylene gas mfg., and alcohol mfg. to be separately rated.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: MO)

5067● BRIDGE BUILDING—METAL
5040● BRIDGE BUILDING—METAL

5505. PAVING OR ROAD SURFACING OR SCRAPING NOC & YARDS, DRIVERS

Godes 5506, 5507, and 5508 must not be assigned at the same job or location to which Gode 5505 applies. Not applicable to contracts that involved the construction or reconstruction of the base or foundation of the roadway; the widening or relocation of the roadbed; or the laying of concrete roads or pavements. Gontracts that involve the foregoing operations, as well as paving, must be classified as Godes 5506, 5507, and 5508.

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
SPECIAL CLASSIFICATIONS
(Applies in: NM)

4743 GASOLINE RECOVERY & DRIVERS

Applies to recovery from casing head or natural gas.

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION

FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
NATIONAL CLASSIFICATION TO BE APPLICABLE
(Applies in: NM)

4740 GASOLINE RECOVERY & DRIVERS.

Applies to recovery from casing head or natural gas.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE **ELIMINATED—THREE-PHASE TRANSITION PROGRAM** SPECIAL CLASSIFICATIONS (Applies in: OK)

3571	AIR PRESSURE OR STEAM GAUGE MFG.
3571	STEAM OR AIR PRESSURE GAUGE MFG
8048 ♦	STORE—FRUIT OR VEGETABLE—WHOLESALE

B-1435 PAGE 104

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
NATIONAL CLASSIFICATION TO BE APPLICABLE
(Applies in: OK)

3574 AIR PRESSURE OR STEAM GAUGE MFG.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE **ELIMINATED—THREE-PHASE TRANSITION PROGRAM** SPECIAL CLASSIFICATIONS (Applies in: SC)

3516 **LOOM HARNESS OR REED MFG** 3516 **REED OR LOOM HARNESS MFG**

B-1435 PAGE 106

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
NATIONAL CLASSIFICATION TO BE APPLICABLE
(Applies in: SC)

3515 LOOM HARNESS OR REED MFG.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: SD)

8862 GASINO GAMBLING—CLERICAL OFFICE EMPLOYEES

Applies to clerical operations performed in conjunction with Gode 9044—Casino Gambling Hotel and Gode 9062—Gasino Gambling. Duties include the creation or maintenance of financial or other employer or player tracking records, handling correspondence, computer composition, internal sales and marketing, and other duties associated with keeping the financial records of a casino operation. Clerical duties exclude outside sales or outside representatives, any work exposed to the operative hazards of the business, casino cage employees, change clerks, and desk clerks for hotel operations. The classification also applies to a qualified clerical office employee who performs an incidental clerical duty off premises when that duty does not involve direct supervision or physical labor, and is directly related to that employee's duties in the office.

9044 GASINO GAMBLING—HOTEL—ALL EMPLOYEES & SALESPERSONS, DRIVERS

Includes bingo operations, and incidental bar, restaurant, and retail store operations in conjunction with hotel or motel operations. Casino or bingo operations without hotel or motel operations to be separately rated as Gode 9062. Clerical office employees to be separately rated as Gode 8862.

9062 GASINO GAMBLING—ALL EMPLOYEES & SALESPERSONS, DRIVERS

Includes bingo operations and incidental bar, restaurant, and retail store operations. Casino or bingo operations in conjunction with hotel or motel operations to be separately rated as Code 9044. Clerical office employees to be separately rated as Code 8862.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: SD)

9044 <u>CASINO GAMBLING—HOTEL—ALL EMPLOYEES & CLERICAL, SALESPERSONS, DRIVERS</u>

Includes bingo operations, and incidental bar, restaurant, and retail store operations in conjunction with hotel or motel operations. Casino or bingo operations without hotel or motel operations to be separately rated as Code 9062.

9062 CASINO GAMBLING—ALL EMPLOYEES & CLERICAL, SALESPERSONS, DRIVERS

Includes bingo operations and incidental bar, restaurant, and retail store operations. Casino or bingo operations in conjunction with hotel or motel operations to be separately rated as Code 9044.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: TN)

2913 RATTAN, WILLOW, OR TWISTED FIBER PRODUCTS MFG.

Includes upholstering.

2913 WILLOWWARE MFG.

3639 EXPLOSIVES OR AMMUNITION MFG.—PROJECTILE OR SHELL MFG.

Includes incidental "nosing in." Not cartridge or shell case mfg. Forging or casting of shapes or loading or testing with explosives to be separately rated.

7500 GAS COMPANY—GAS WORKS & SALESPERSONS, DRIVERS

Applies to all operations including store employees and meter readers. Construction of buildings or qasholders to be separately rated.

7502 GAS COMPANY—GAS WORKS & SALESPERSONS, DRIVERS

Applies to all operations including store employees and meter readers. Construction of buildings or gasholders to be separately rated.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM NATIONAL CLASSIFICATION TO BE APPLICABLE (Applies in: TN)

3632 EXPLOSIVES OR AMMUNITION MFG.—PROJECTILE OR SHELL MFG.

<u>Includes incidental "nosing in." Not cartridge or shell case mfg. Forging or casting of shapes or loading or testing with explosives to be separately rated.</u>

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: TX)

4417	Beet er Shee Mfg.—Rubber
	Includes combined rubber and fabric boots or shoes.
4417	Shee or Boot Mfg.—Rubber or Combined Rubber and Fabric
<u>4410</u>	Shoe or Boot Mfg.—Rubber or Combined Rubber and Fabric

EXHIBIT 4-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE
ELIMINATED—THREE-PHASE TRANSITION PROGRAM
NATIONAL CLASSIFICATION TO BE APPLICABLE
(Appliles in: TX)

4410 BOOT OR SHOE MFG.—RUBBER

Includes combined rubber and fabric boots or shoes.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: VT)

4745 HONE OR OIL STONE MFG.
Quarrying to be separately rated.
4745 OIL OR HONE STONE MFG.

Quarrying to be separately rated.

4745 SOAPSTONE OR SOAPSTONE PRODUCTS MFG.

Quarrying to be separately rated.

EXHIBIT 4-RULE BASIC MANUAL—2001 EDITION FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: VT)

<u> 1803</u>	HONE OR OIL STONE MFG. & DRIVERS.
	Quarrying to be separately rated.
1803	OIL OR HONE STONE MFG. & DRIVERS.

Quarrying to be separately rated.

1803 SOAPSTONE OR SOAPSTONE PRODUCTS MFG. & DRIVERS.

Quarrying to be separately rated.

EXHIBIT 5—FACT SHEET

TRUCKING AND TOWING

PURPOSE

The purpose of the proposed changes for this industry is to revise the classification treatment for trucking and establish a new classification for towing operations.

BACKGROUND

Item B-1331—Revisions of Basic Manual Classifications and Related Rules discontinued Code 7219—Trucking NOC—All Employees & Drivers in most NCCI states. Code 7219 was replaced with Code 7228—Trucking—Local Hauling Only—All Employees & Drivers and Code 7229—Trucking—Long Distance Hauling—All Employees & Drivers. Item B-1331 became effective in 1996. The established distinction between local and long-distance hauling was a driving radius of 200 miles.

A recent review of the trucking industry found that driving radius is not a useful distinction for classification purposes. Local and long haul trucking have common causes of injury and loss costs do not indicate either as being more hazardous than the other. In addition, it is a challenge to audit driving logs to confirm appropriate classification assignment because many companies and drivers perform both local and long haul trucking.

In addition, while the geographic distance driven may be greater for long haul trucking, the time spent behind the wheel may be similar. Also, local versus long haul trucking does not necessarily distinguish between interstate and intrastate driving.

In addition to trucking, NCCI reviewed the towing industry, which is currently included in the trucking classifications. NCCI found that the "no other operations" restriction was causing primarily towing operations to be assigned to the automobile repair codes. Also, there were several questions regarding what comprised other operations. (For example, roadside assistance is a service provided by wrecker or towing operators and should not be assigned to Code 8380 when performed by towing operators). There was also concern that the towing industry wasn't being classified consistently, which may create a competitive advantage or disadvantage for some employers in the same business.

PROPOSAL

This item proposes to:

- 1. Eliminate national Code 7228—Trucking—Local Hauling Only—All Employees & Drivers and associated phraseologies and reassign these operations to Code 7219.
- 2. Eliminate national Code 7229—Trucking—Long Distance Hauling—All Employees & Drivers and associated phraseologies and reassign these operations to Code 7219.
- 3. Reestablish national Code 7219—Trucking NOC—All Employees & Drivers and several cross-reference phraseologies nationally. Existing Code 7219 state special phraseologies may be eliminated or revised.
- 4. Establish national Code 7225—Automobile Towing & Drivers and cross-reference phraseology Roadside Assistance & Drivers.
- 5. Revise Code 8380—Automobile Service or Repair Center & Drivers and associated phraseologies to separately rate towing for others and roadside assistance.
- 6. Revise Code 8393—Automobile Body Repair to include drivers and to separately rate towing for others and roadside assistance.
- 7. Revise Appendix E—Table of Classifications by Hazard Group to show codes being eliminated or added. Refer to Exhibit 6-R.
- 8. Revise *Assigned Carrier Performance Standards* to show classifications being eliminated or added. Refer to Exhibit 12-R.

EXHIBIT 5—FACT SHEET (CONT'D)

In some cases, the classification being eliminated or revised is referenced in other classifications. Any national and state special classifications including these references will be revised for consistency. Refer to Exhibits 5-R and 8-R.

IMPACT

NCCI conducted a review of the latest policy periods used for ratemaking in NCCI's 2015 loss cost and rate filing cycle to determine if a transition program was needed to minimize the impact of discontinuing Codes 7228 and 7229 and combining the data into Code 7219. Based on the result of this review, no transition program is required nationally. Historical experience from the discontinued national codes will be reassigned to the corresponding national codes when the eliminated code maps primarily to one corresponding national code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding national codes. Negligible impact to overall statewide premium is expected as a result of these changes.

In addition, this item proposes to establish national Code 7225. Experience from discontinued Code 7228 will not be reassigned to Code 7225. For AK, FL, ID, LA, MT, OR and TX, the initial loss cost/rate and rating values for new Code 7225 will be established at the same loss cost/rate and rating values of Code 7219 until the new Code 7225 develops data to determine its own loss cost/rate. Experience from Code 7219 will not be reassigned to Code 7225. For all other states, the initial loss cost/rate and rating values for new Code 7225 will be established at the same loss cost/rate and rating values of discontinued Code 7228 until new Code 7225 develops data to determine its own loss cost/rate.

It is possible that some payroll from other towing-related classifications will transfer to the newly established Code 7225 as a result of this change. The amount of payroll transferred cannot be identified using current industry data sources. The impact to individual employers will depend on the amount of payroll (if any) that transfers from all towing-related classifications as well as their associated loss cost/rate compared to the newly defined classification's proposed loss cost/rate. Negligible impact to overall statewide premium is expected as a result of these changes.

STATE-SPECIFIC PROPOSALS AND IMPACTS

Alaska Proposal:

NCCI proposes that Alaska:

- Eliminate Alaska special phraseologies for Code 7219 and adopt the newly proposed national treatment for trucking under Code 7219
- Eliminate several other Alaska state specials that existed only because they referred to Code 7219
- Revise Code 8380 state special phraseologies to separately rate towing for others and roadside assistance

NCCI proposes that Alaska adopt all other national proposals for this industry.

Alaska Impact:

Because Code 7219 currently applies in Alaska, no premium impact is expected as a result of the trucking proposal. The premium impact for the towing proposal in Alaska is expected to be the same as the proposed national treatment.

Arizona Proposal:

NCCI proposes that Arizona discontinue state special Code 7250—Trucking—Hauling Explosives or Ammunition—All Employees due to low credibility and assign these operations to reestablished national Code 7219 for trucking. In addition, NCCI proposes that Statistical Code 0790—For Reporting Nonratable Portion of Rate for Code 7250 be eliminated. Refer to Exhibit 11-R for details on the elimination of Statistical Code 0790.

EXHIBIT 5—FACT SHEET (CONT'D)

NCCI proposes that Arizona adopt all other national Fact Sheet 5 exhibits.

Arizona Impact:

Historical experience from Codes 7228, 7229 and 7250 will be reassigned to reestablished national Code 7219. The rates and rating values for Code 7219 will be based on the payroll weighted rates of Codes 7228, 7229 and 7250. It is possible that individual employers may experience an increase or decrease in premium from the transfer of payroll to the proposed national classification. The impact to individual employers will depend on the amount of historical payroll, if any, that transfers from the discontinued codes to the national codes.

In addition, there will no longer be a statistical code for reporting the nonratable portion of a rate because there is no load and therefore no reason to report it. Finally, there was only one policy in Arizona from 2009 - 2013 using Code 0790.

Arkansas Proposal:

NCCI proposes that Arkansas eliminate its special phraseologies for Codes 7228 and 7229 for Trucking—Local Hauling and Trucking—Long Distance Hauling, respectively, and establish a new state special for trucking under Code 7219. The Arkansas state special phraseology will continue to include contract requirements currently included in Code 7228.

NCCI proposes that Arkansas adopt all other national Fact Sheet 5 exhibits.

In addition, NCCI proposes that Arkansas implement a two-phase transition program as described in Exhibit 9-R.

Arkansas Impact:

NCCI conducted a review using the latest approved experience filing to determine the need for a loss cost transition program to minimize the impact of eliminating Codes 7228 and 7229 and reestablishing Code 7219. Based on the result of this review, a two-phase transition program is being proposed for Arkansas as described in Exhibit 9-R. Using a transition program will help minimize the impact to individual employer premium charges and overall statewide premium. Rating values will be calculated according to the standard procedure.

Colorado Proposal:

NCCI proposes that Colorado discontinue its special phraseologies for Tow Truck Operators under Codes 7228 and 7229 and adopt the newly proposed national treatment for towing under Code 7225.

NCCI proposes that Colorado adopt all other national proposals for this industry.

Colorado Impact:

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

Connecticut Proposal:

NCCI proposes that Connecticut revise its special phraseologies for Codes 8380 and 8393 to separately rate towing for others and roadside assistance.

NCCI proposes that Connecticut adopt all other national proposals for this industry.

Connecticut Impact:

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

Florida Proposal:

NCCI proposes that Florida:

EXHIBIT 5—FACT SHEET (CONT'D)

- Eliminate Florida special phraseologies for Code 7219 and adopt the newly proposed national treatment for trucking under Code 7219
- Eliminate several other state special phraseologies that existed only because they referred to Code 7219 for trucking
- Revise special phraseologies for Code 8393 to separately rate towing for others and roadside assistance

NCCI proposes that Florida adopt all other national proposals for this industry.

Florida Impact:

No premium impact is expected as a result of the trucking recommendation in Florida. The premium impact for towing in Florida is expected to be the same as the proposed national treatment.

Hawaii Proposal:

Code 8380 is not applicable in Hawaii. NCCI proposes that Hawaii revise special phraseologies for Codes 8387, 8391, and 8393 to separately rate towing for others and roadside assistance.

NCCI proposes that Hawaii adopt all other national proposals for this industry.

Hawaii Impact:

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

Idaho Proposal:

NCCI proposes that Idaho eliminate:

- Special phraseologies for Code 7219 and adopt the newly proposed national treatment for trucking under Code 7219
- Several other state special phraseologies that existed only because they referred to Code 7219 for trucking

NCCI proposes that Idaho adopt all other national proposals for this industry.

Idaho Impact:

No premium impact is expected as a result of the trucking recommendation in Idaho. The premium impact for towing in Idaho is expected to be the same as the proposed national treatment.

Indiana Proposal:

NCCI proposes that Indiana revise its special phraseologies for Code 8393 to separately rate towing for others and roadside assistance.

NCCI proposes that Indiana adopt all other national proposals for this industry.

Indiana Impact:

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

Kentucky Proposal:

NCCI proposes that Kentucky adopt the national proposals and that Kentucky implement a two-phase transition program, as described in Exhibit 9-R, for the elimination of Codes 7228 and 7229 and reestablishment of Code 7219.

Kentucky Impact:

NCCI conducted a review using the latest approved experience filing to determine the need for a loss cost transition program to minimize the impact of this proposed change. Based on the result of this review, a

EXHIBIT 5—FACT SHEET (CONT'D)

two-phase transition program is being proposed for Kentucky. Using a transition program will help minimize the impact to individual employer premium charges and overall statewide premium. Rating values will be calculated according to the standard procedure.

Louisiana Proposal:

NCCI proposes that Louisiana:

- Eliminate special phraseologies for Code 7219 and adopt the newly proposed national treatment for trucking under Code 7219
- Eliminate several other state specials that existed only because they referred to Code 7219 for trucking
- Revise special phraseologies for Code 8393 to separately rate towing for others and roadside assistance

In addition, because Code 8380 is not applicable in Louisiana, NCCI proposes that Louisiana revise special phraseologies for Codes 8387 and 8391 to separately rate towing for others and roadside assistance.

NCCI proposes that Louisiana adopt all other national proposals for this industry.

Louisiana Impact:

No premium impact is expected as a result of the trucking recommendation in Louisiana. The premium impact for towing in Louisiana is expected to be the same as the proposed national treatment.

Missouri Proposal:

NCCI proposes that Missouri:

- Eliminate its special phraseologies under Codes 7228 and 7229 and adopt a newly proposed special phraseology for trucking under Code 7219
- Eliminate state special Code 7250—Trucking—Hauling Explosives or Ammunition—All Employees &
 Drivers due to low credibility and assign these operations to reestablished national Code 7219 for trucking.
 In addition, NCCI proposes that Statistical Code 0790—For Reporting Nonratable Portion of Rate for Code 7250 be eliminated. Refer to Exhibit 11-R for details on the elimination of Statistical Code 0790.
- Revise special phraseologies for Code 8393 to separately rate towing for others and roadside assistance

In addition, because Code 8380 is not applicable in Missouri, NCCI proposes that Missouri revise special phraseologies for Codes 8387 and 8391 to separately rate towing for others and roadside assistance.

NCCI proposes that Missouri adopt all other national proposals for this industry.

Missouri Impact:

Historical experience from Codes 7228, 7229 and 7250 will be reassigned to reestablished national Code 7219. The loss cost and rating values for Code 7219 will be based on the payroll weighted loss cost of Codes 7228, 7229 and 7250. It is possible that individual employers may experience an increase or decrease in premium from the transfer of payroll to the proposed national classifications. The impact to individual employers will depend on the amount of historical payroll, if any, that transfers from the discontinued codes to the national code.

In addition, there will no longer be a statistical code for reporting the nonratable portion of a rate because there is no load and therefore no reason to report it. Finally, there were only seven policies in Missouri from 2009 - 2013 using state Code 0790.

Montana Proposal:

NCCI proposes that Montana:

 Eliminate special phraseologies for Code 7219 and adopt the newly proposed national treatment for trucking under Code 7219

EXHIBIT 5—FACT SHEET (CONT'D)

• Eliminate several other state specials that existed only because they referred to Code 7219 for trucking NCCI proposes that Montana adopt all other national proposals for this industry.

Montana Impact:

No premium impact is expected as a result of the trucking recommendation in Montana. The premium impact for towing in Montana is expected to be the same as the proposed national treatment.

New Mexico Proposal:

NCCI proposes that New Mexico:

- Eliminate its special phraseology for Water Hauling Operations under Codes 7228 and 7229
- Establish a new state special for Water Hauling under Code 7219
- Revise its state special for Code 8393 to separately rate towing for others and roadside assistance

NCCI proposes that New Mexico adopt all other national proposals for this industry.

New Mexico Impact:

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

Oklahoma Proposal:

Code 8380 is not applicable in Oklahoma. NCCI proposes that Oklahoma revise special phraseologies for Codes 8387, 8391, and 8393 to separately rate towing for others and roadside assistance.

NCCI proposes that Oklahoma adopt all other national proposals for this industry.

Oklahoma Impact:

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

Oregon Proposal:

NCCI proposes that Oregon:

- Discontinue special phraseologies for Code 7219 and adopt the newly proposed national treatments
- Retain 7219—Trucking NOC—Drivers and Their Helpers to reference existing state special Code 9328 for garage, dock, and warehouse employees
- Revise its note for the automobile codes to reference Code 7225 for towing operations and roadside assistance
- Maintain its state exceptions for Codes 8380, 3822, 3824, 8393, 8046, and 8748 because of the automobile note
- Eliminate several other state special phraseologies that existed only because they referred to Code 7219 for trucking

NCCI proposes that Oregon adopt all other national proposals for this industry.

Oregon Impact:

No premium impact is expected as a result of the trucking recommendation in Oregon. The premium impact for towing in Oregon is expected to be the same as the proposed national treatment.

Rhode Island Proposal:

Code 8380 is not applicable in Rhode Island. NCCI proposes that Rhode Island revise special phraseologies for Codes 8387, 8391, and 8393 to separately rate towing for others and roadside assistance.

NCCI proposes that Rhode Island adopt all other national proposals for this industry.

EXHIBIT 5—FACT SHEET (CONT'D)

Rhode Island Impact:

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

South Dakota Proposal:

NCCI proposes that South Dakota eliminate its special phraseologies for Codes 7228 and 7229 for Trucking—Local Hauling and Trucking—Long Distance Hauling, respectively, and establish a new state special for trucking under Code 7219.

NCCI proposes that South Dakota adopt all other national proposals for this industry.

South Dakota Impact:

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

Tennessee Proposal:

NCCI proposes that Tennessee revise its special phraseology for Code 8380 to separately rate towing for others and roadside assistance. Also, this phraseology was revised to include the national note in addition to the Tennessee exception regarding tire salespersons for consistency of treatment.

NCCI proposes that Tennessee adopt all other national proposals for this industry.

Tennessee Impact:

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

Texas Proposal:

NCCI proposes that Texas eliminate special phraseologies for Code 7219 and adopt the proposed national trucking Code 7219 treatment.

In addition, because Code 8380 is not applicable in Texas, NCCI proposes that Texas revise its special phraseologies for Codes 8387 and 8391 to separately rate towing for others and roadside assistance.

NCCI proposes that Texas adopt all other national Fact Sheet 5 exhibits.

Texas Impact:

No premium impact is expected as a result of the trucking recommendation in Texas. The premium impact for towing in Texas is expected to be the same as the proposed national treatment.

Virginia Proposal:

NCCI proposes that Virginia adopt the proposed national treatment for trucking. Accordingly, the Virginia Special Classifications in NCCI's **Basic Manual** will be updated for the following codes:

- Revise Code 3821—Automobile Recycling & Drivers
- Revise Code 5057—Iron or Steel—Erection NOC
- Revise Code 7133—Railroad Operation: NOC—All Employees & Drivers
- Revise Code 7151—Railroad Operation—All Employees Including Drivers—Program I
- Revise Code 7152—Railroad Operation—All Employees Including Drivers—Program II—USL Act Benefits
- Revise Code 7153—Railroad Operation—All Employees Including Drivers—Program II—State Act Benefits
- Reestablish Code 7219—Trucking NOC—All Employees & Drivers
- Establish Code 7225—Automobile Towing & Drivers and cross-reference phraseology, Roadside Assistance & Drivers

EXHIBIT 5—FACT SHEET (CONT'D)

- Eliminate Code 7228—Trucking: Local Hauling Only—All Employees and Drivers
- Eliminate Code 7229—Trucking: Long Distance Hauling—All Employees and Drivers
- Revise Code 7230—Trucking: Parcel or Package Delivery—All Employees & Drivers
- Revise Code 7231—Mail, Parcel or Package Delivery and Courier or Messenger Service Companies—All Employees & Drivers
- Revise Code 7232—Trucking: Mail, Parcel or Package Delivery—Under Contract With the US Postal Service—All Employees & Drivers
- Revise Code 7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial
- Revise Code 7382—Bus Co.: All Other Employees & Drivers
- Revise Code 7390—Beer or Ale Dealer—Wholesale & Drivers
- Revise Code 7600—Telephone or Telegraph Co.: All Other Employees & Drivers
- Revise Code 7705—Ambulance Service Companies and EMS (Emergency Medical Service) Providers & Drivers
- Revise Code 7710—Firefighters & Drivers
- Revise Code 7711—Firefighters, Ambulance Service Companies, and EMS (Emergency Medical Service)
 Providers—All Employees & Drivers—Volunteer
- Revise Code 7720—Police Officers & Drivers
- Revise Code 8002—Automobile Rental Co.: All Other Employees & Counter Personnel, Drivers
- Revise Code 8232—Lumberyard—New Materials Only—All Other Employees & Yard, Warehouse, Drivers
- Revise Code 8292—Storage Warehouse NOC
- Revise Code 8350—Gasoline Dealer & Drivers
- Revise Code 8380 to separately rate towing for others and roadside assistance
- Revise Code 8385—Bus Co.: Garage Employees
- Revise Code 8393 to add drivers and to separately rate towing for others and roadside assistance
- Revise Code 9403—Garbage, Ashes or Refuse Collection & Drivers
- Revise Code 9534—Mobile Crane and Hoisting Service Contractors—NOC—All Operations—Including Yard Employees and Drivers

Virginia Impact:

The premium impact in Virginia is equivalent to the impact determined by the proposed national treatment. The proposed updates to the Virginia Special Classifications in NCCI's *Basic Manual* descriptions are not expected to have an additional premium impact.

EXHIBIT 5A-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, TN, UT, VT, WV)

8380 AIR CONDITIONING SYSTEMS—AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8380 AUTOMOBILE—CAR WASH & DRIVERS

Includes incidental greasing, polishing, and servicing. Codes 8380 and 8392—Automobile storage garage <u>mustshall</u> not be assigned to the same <u>employer risk</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for</u> others and roadside assistance to be separately rated.

8380 AUTOMOBILE—LEASING COMPANY—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

Towing for others and roadside assistance to be separately rated.

8380 AUTOMOBILE—MUFFLER—INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

PAG

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 5B-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, TN, UT, VT, WV)

8380 AUTOMOBILE—SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

EXHIBIT 5C-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, UT, VT, WV)

8380 AUTOMOBILE—SERVICE OR REPAIR CENTER & DRIVERS

Includes parts department employees. Automobile salespersons to be separately rated as Code 8748. Codes 8380 and 8392—Automobile storage garage <u>mustshall</u> not be assigned to the same <u>employer risk</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

EXHIBIT 5D-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, OR, SC, SD, TN, UT, VT, WV)

8393 AUTOMOBILE—BODY REPAIR & DRIVERS

Applies to the repair of metal, fiberglass, and plastic automobile bodies and includes upholstering and painting. Codes 8393, 3822, and3824—Automobile body mfg., Code 3808—Automobile mfg., and Code 8380—Automobile service or repair center shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 5E-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7228 AUTOMOBILE—HAULAWAY OR DRIVEAWAY—LOGAL HAULING ONLY—ALL EMPLOYEES

& DRIVERS

7229 AUTOMOBILE—HAULAWAY OR DRIVEAWAY—LONG DISTANCE HAULING—ALL

EMPLOYEES & DRIVERS

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 5F-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

7219 AUTOMOBILE—HAULAWAY OR DRIVEAWAY—ALL EMPLOYEES & DRIVERS

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 5G-RULE BASIC MANUAL—2001 EDITION **FACT SHEET 5—TRUCKING & TOWING** PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7228 AUTOMOBILE-TOWING COMPANIES-LOGAL HAULING ONLY-NO OTHER **OPERATIONS—ALL EMPLOYEES & DRIVERS**

7229 AUTOMOBILE—TOWING COMPANIES—LONG HAUL—NO OTHER OPERATIONS—ALL EMPLOYEES & DRIVERS

EXHIBIT 5H-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

7225 AUTOMOBILE TOWING & DRIVERS

Includes towing or wrecker companies, road rangers, or freeway patrol companies providing towing, roadside service, or repairs, and automobile recovery or repossession companies. Includes mechanics and the operation of an impound lot operated by a towing company.

7225 ROADSIDE ASSISTANCE & DRIVERS

Includes operations such as road rangers or freeway patrol companies providing roadside service, repairs, or assistance regardless of whether or not towing services are offered.

EXHIBIT 5I-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NE, NH, NV, OK, RI, SC, SD, TN, UT, VT, WV)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the <u>employer,insured</u> either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, <u>shall must</u> be assigned to Godes 7228 and 7229—Trucking the appropriate trucking classification.

EXHIBIT 5J-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, TN, UT, VT, WV)

8380 GASOLINE STATION NOC—RETAIL & DRIVERS

Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>and</u> automobile maintenance or repair, or towing services. Codes 8380 and 8392—Automobile storage garage <u>mustshall</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

EXHIBIT 5K-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7360 REFRIGERATOR CAR LOADING OR UNLOADING.

Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification. as Godes 7228 and 7229 Trucking.

EXHIBIT 5L-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, TN, UT, VT, WV)

8380 RUBBER TIRE DEALER—RETAIL & DRIVERS

Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of the <u>insuredemployer</u>. Codes 8380 and 8392—Automobile storage garage <u>mustshall</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 5M-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7228 SGAFFOLDING—DELIVERY OF MATERIALS ONLY—LOGAL HAULING ONLY—NO INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS

7229 SCAFFOLDING—DELIVERY OF MATERIALS ONLY—LONG DISTANCE HAULING—NO INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS

EXHIBIT 5N-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

7219 SCAFFOLDING—DELIVERY OF MATERIALS ONLY—NO INSTALLATION, REPAIR, OR REMOVAL—ALL EMPLOYEES & DRIVERS

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 50-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

5NOW REMOVAL—HAULING SNOW UNDER CONTRACT—LOGAL HAULING ONLY—NO

SNOW GLEARING—ALL EMPLOYEES & DRIVERS

7229 SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—LONG DISTANCE

HAULING-NO SNOW CLEARING-ALL EMPLOYEES & DRIVERS

EXHIBIT 5P-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

7219 SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—NO SNOW CLEARING—ALL EMPLOYEES & DRIVERS

EXHIBIT 5Q-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, TN, UT, VT, WV)

8380 STORAGE BATTERY SERVICE STATION & DRIVERS-

Codes 8380 and 8392—Automobile storage garage <u>mustshall</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

EXHIBIT 5R-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated as Godes 7228 and 7229—Trucking to the appropriate trucking classification.

EXHIBIT 5S-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7228 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—LOCAL HAULING ONLY—ALL EMPLOYEES & DRIVERS

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1 E.

Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

7229 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—LONG DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E.

Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

EXHIBIT 5T-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING 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, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VT, WV)

7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, must under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification. Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E. Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

EXHIBIT 5U-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, MD, ME, MS, MT, NE, NH, NM, NV, SC, SD, TN, UT, VT, WV)

8380 TRUCK LEASING—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

Towing for others and roadside assistance to be separately rated.

EXHIBIT 5V-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MS, NE, NH, NM, NV, OK, RI, SC, TN, UT, VT, WV)

7228 TRUCKING—LOCAL HAULING ONLY—ALL EMPLOYEES & DRIVERS

The term "local hauling" as used in this classification means hauling within a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" as used above means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Storage warehouse employees to be separately rated.

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E.

Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

7229 TRUCKING—LONG DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

The term "long distance hauling" as used in this classification means hauling outside a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" as used above means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Storage warehouse employees to be separately rated.

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E.

Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

EXHIBIT 5W-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

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

7219 TRUCKING NOC—ALL EMPLOYEES & DRIVERS

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, must under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification. Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E. Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

Storage warehouse employees to be separately rated.

EXHIBIT 5X-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING PART TWO—CLASSIFICATIONS

(Applies in: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated as Godes 7228 and 7229—Trucking to the appropriate trucking classification.

EXHIBIT 6-RULE

BASIC MANUAL—2001 EDITION APPENDIX E CLASSIFICATIONS BY HAZARD GROUP

TABLE OF CLASSIFICATIONS BY HAZARD GROUP

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
0078	H	<u>1/1/18:</u> HI	С
0400	AZ, MT, TN	10/1/16: KY 11/1/16: DC, WV 12/1/16: UT 1/1/17: AK, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/17: NE 3/1/17: AL, GA, MS, NV 4/1/17: ME, VA, VT 5/1/17: LA 7/1/17: AR, SD 8/1/17: RI 9/1/17: SC 3/1/18: TN 1/1/19: AZ	D
1429	ŦN	<u>3/1/18:</u> <u>TN</u>	Е
1655	National, IN 19/1/97: WV	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, NH, NM, OR 2/1/18: NE 3/1/18: AL, GA, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 9/1/18: SC 1/1/19: OK 3/1/19: MS 1/1/20: FL, MO	Е

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
1741	National, IN 19/1/97: WV	11/1/17: DC 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, MD, NH, NM, OK, OR 2/1/18: NE 3/1/18: MS, NV, TN 4/1/18: ME, VT 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 9/1/18: SC 10/1/18: KY 1/1/19: MO 3/1/19: AL, GA 11/1/19: WV 1/1/20: KS 4/1/20: VA	G
1745	¥Ŧ	1/1/10: NH 4/1/17: VA 7/1/17: AR 4/1/20: VT	E
1852	MT, O K, S C, VA	10/1/16: KY 11/1/16: DC, WV 12/1/16: UT 1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OR 2/1/17: NE 3/1/17: AL, GA, MS, NV, TN 4/1/17: ME, VT 5/1/17: LA 7/1/17: AR, SD 8/1/17: RI 1/1/18: OK 4/1/18: VA 9/1/18: SC	G
1853	AL, AK, AZ, AR, GO, GT, DG, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VT, VA 10/1/07: WV	11/1/17: DC 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, MD, NH, NM, OK, OR 2/1/18: NE 3/1/18: MS, NV, TN 4/1/18: ME, VT 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 9/1/18: SC 10/1/18: KY 1/1/19: MO	D

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
		3/1/19: AL, GA 4/1/19: VA 11/1/19: WV 1/1/20: KS	
1860	National, IN 10/1/07: WV	11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, CT, HI, IA, ID, MD, NH, NM, OK 2/1/18: NE 3/1/18: AL, GA, MS, TN 4/1/18: ME, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 10/1/18: KY 1/1/19: CO, IN, KS, MO 3/1/19: NV 9/1/19: SC 1/1/20: AZ, FL, IL, OR 4/1/20: VT	В
2055	₩	4/1/18: <u>VA</u>	В
2086	9R	<u>1/1/18:</u> OR	С
2118	ŁA	<u>5/1/18:</u> <u>LA</u>	E
2386	GT, MT, RI	10/1/16: KY 11/1/16: DC, WV 12/1/16: UT 1/1/17: AK, AZ, CO, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/17: NE 3/1/17: AL, GA, MS, NV, TN 4/1/17: ME, VA, VT 5/1/17: LA 7/1/17: AR, SD 9/1/17: SC 8/1/19: RI 1/1/20: CT	В

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
2534	National, IN 10/1/07: WV 6/1/14: TX	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, HI, ID, IL, KS, MD, MO, NH, NM, OK 2/1/18: NE 3/1/18: MS, NV, TN 4/1/18: ME, VT 5/1/18: LA 7/1/18: AR, MT, SD 1/1/19: CO, FL, IA, IN, OR 8/1/19: RI 1/1/20: CT 3/1/20: AL, GA 4/1/20: VA 9/1/20: SC	В
2560	€ 1	4/1/17: VA 7/1/17: TX 1/1/20: CT	А
2576	₩	4/1/20: VA	В
2740	₩	4/1/18: VA	В
2741	KY	10/1/17: KY	А
2791	MO	1/1/17: MD, OK 4/1/17: VA, VT 1/1/19: MO	А
2913	MT , ŦN	10/1/16: KY 11/1/16: DC, WV 12/1/16: UT 1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/17: NE 3/1/17: AL, GA, MS, NV 4/1/17: ME, VA, VT 5/1/17: LA 7/1/17: AR, SD 8/1/17: RI 9/1/17: SC 3/1/20: TN	A

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A-G
2942	G A, IL, MT	10/1/16: KY 11/1/16: DC, WV 12/1/16: UT 1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IN, KS, MD, MO, NH, NM, OK, OR 2/1/17: NE 3/1/17: AL, MS, NV, TN 4/1/17: ME, VA, VT 5/1/17: LA 7/1/17: AR, SD 8/1/17: SC 1/1/18: IL 3/1/18: GA	A
3175	National, IN 19/1/97: WV	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 9/1/18: SC	С
3223	National, IN 10/1/07: WV 6/1/14: TX	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: AR, MT, SD, TX 8/1/18: RI 9/1/18: SC	A
3516	SG	4/1/17: VA 8/1/17: RI 9/1/20: SC	В
3571	өк	1/1/17: IL 1/1/20: OK	В
3639	ŦN	1/1/17: AZ, CO, IL 3/1/17: MS 3/1/20: TN	G

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A-G
3639	6/1/14: ∓X	7/1/18: TX	В
4053	National, IN 10/1/07: WV	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, KS, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 9/1/18: SC 1/1/19: MD 1/1/20: IN	С
4061	National, IN 10/1/07: WV	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, KS, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: SC 1/1/19: MD 1/1/20: IN	В
4113	National, IN 10/1/07: WV	11/1/17: DC 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, KS, MD, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, MS, NV, TN 4/1/18: ME, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: SC 10/1/18: KY 1/1/19: IN 11/1/19: WV 3/1/20: GA 4/1/20: VT	С

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A-G
4282	National, IN 10/1/07: WV 6/1/14: TX	11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, CT, HI, IA, ID, MD, NH, NM, OK 2/1/18: NE 3/1/18: NE 3/1/18: AL, GA, MS, TN 4/1/18: ME, VA 5/1/18: LA 7/1/18: AR, MT, SD, TX 8/1/18: RI 10/1/18: KY 1/1/19: CO, IN, KS, MO 3/1/19: NV 9/1/19: SC 1/1/20: AZ, FL, IL, OR 4/1/20: VT	В
4417	6/1/14: ∓X	7/1/20: TX	С
4439	AK, AL, AR, AZ, GO, GT, DG, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SG, SD, TN, UT, VA, VT 10/1/07: WV	1/1/10: FL 10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: RI 9/1/18: SC	D
4439	6/1/14: TX	<u>7/1/20:</u> <u>TX</u>	Е
4586	KS	1/1/17: FL, OK 3/1/17: MS 1/1/18: KS	F
4597	GA, MO	1/1/18: MO 3/1/20: GA	В
4710	L	<u>1/1/18:</u> <u>FL</u>	В
4716	-IN	1/1/17: IL, MO 1/1/20: IN	В
4716	6/1/14: ∓X	7/1/17: TX	С
4743	K S, LA, NM 6/1/14: TX	5/1/18: LA 7/1/18: TX 1/1/20: KS, NM	Е

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A-G
4750	₽	1/1/17: IL 5/1/20: LA	E
4761	60	1/1/17: OK 3/1/17: TN <u>1/1/18: CO</u>	G
4773	GA	<u>3/1/18:</u> <u>GA</u>	G
5067	M O, VA	4/1/18: VA 1/1/20: MO	G
5069	AL, AK, AZ, AR, GT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, OK, RI, SC, SD, TN, UT, VT, VA 10/4/07: WV	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CT, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK 2/1/18: NE 3/1/18: AL, GA, MS, NV 4/1/18: ME, VT 5/1/18: LA 7/1/18: AR, MT, SD 8/1/18: SC 1/1/19: HI 3/1/19: TN 4/1/19: VA 1/1/20: FL	G
5505	MO	<u>1/1/20:</u> MO	Е
5539	IL, ŦN	1/1/18: IL 3/1/19: TN	E
6017	AL, AK, AZ, AR, GO, GT, DG, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MT, NE, NV, NH, NM, OK, OR, SG, SD, TN, UT, VT, VA 10/1/07: WV	10/1/17: KY 11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, HI, IA, IN, KS, MD, NH, NM 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: MT, SD 9/1/18: SC 1/1/19: ID, IL, OR 1/1/20: FL, OK 7/1/20: AR	E
6869	OR	<u>1/1/18:</u> OR	G

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
7219	AK, FL, ID, LA, MT, OR 11/1/17: DC, WV 12/1/17: UT 1/1/18: AZ, CO, CT, HI, IA, IL, IN, KS, MD, MO, NH, NM, OK 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 7/1/18: SD 8/1/18: RI 9/1/18: SC 10/1/18: KY 7/1/19: AR	3/1/2011: TN	F
7219	6/1/14 : TX		E
7225	11/1/17: DC, WV 12/1/17: UT 1/1/18: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 5/1/18: LA 7/1/18: MT, SD, TX 8/1/18: RI 9/1/18: SC 10/1/18: KY 7/1/19: AR		E
7228	AL, AZ, AR, GO, GT, DC, GA, HI, IA, IL, IN, KS, KY, ME, MD, MS, MO, NE, NV, NH, NM, OK, RI, SC, SD, UT, VT, VA 10/1/07: WV 3/1/11: TN	11/1/17: DC, WV 12/1/17: UT 1/1/18: AZ, CO, CT, HI, IA, IL, IN, KS, MD, MO, NH, NM, OK 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 7/1/18: SD 8/1/18: RI 9/1/18: SC 10/1/18: KY 7/1/19: AR	E

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
7229	AL, AZ, AR, GO, GT, DG, GA, HI, IA, IL, IN, KS, KY, ME, MD, MS, MO, NE, NV, NH, NM, OK, RI, SG, SD, UT, VT, VA 10/1/07: WV 3/1/11: TN	11/1/17: DC, WV 12/1/17: UT 1/1/18: AZ, CO, CT, HI, IA, IL, IN, KS, MD, MO, NH, NM, OK 2/1/18: NE 3/1/18: AL, GA, MS, NV, TN 4/1/18: ME, VT, VA 7/1/18: SD 8/1/18: RI 9/1/18: SC 10/1/18: KY 7/1/19: AR	F
7250	A Z, MO	<u>1/1/18:</u> <u>AZ, MO</u>	G
7500	GA , ŦN	3/1/17: AL 3/1/19: GA 3/1/20: TN	E
8048	9K	<u>1/1/20:</u> OK	В
8105	±, M∓	10/1/16: KY 11/1/16: DC, WV 12/1/16: UT 1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IN, KS, MD, MO, NH, NM, OK, OR 2/1/17: NE 3/1/17: AL, GA, MS, NV, TN 4/1/17: ME, VA, VT 5/1/17: LA 7/1/17: AR, SD 8/1/17: RI 9/1/17: SC 7/1/18: MT 1/1/19: IL	В
8277	1/1/2013: IÐ	1/1/13: CO 1/1/18: ID	D
8399	AL	1/1/17: CT 3/1/18: AL	С
8753	⊖K	1/1/13: CO 1/1/19: OK	В
8862	SĐ	<u>7/1/20:</u> <u>SD</u>	С
9552	MŦ	<u>7/1/18: MT</u>	E

Class Code	Applies In: [±]	Discontinued In: [±]	Hazard Group A–G
9552	6/1/14: ∓X	<u>7/1/18:</u> <u>TX</u>	F
9554	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VT, VA 10/1/07: WV 7/1/18: MT, TX		F

 $^{^{\}pm}$ Upon approval of this item, each state will have its state-specific effective date indicated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION ALASKA MISCELLANEOUS RULES ALASKA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION CONNECTICUT MISCELLANEOUS RULES CONNECTICUT CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION FLORIDA MISCELLANEOUS RULES FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

Carriers are required to use the approved form to notify all their insureds who have one or more contracting classifications on their policy that they may be eligible for a premium adjustment credit.

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹ The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION HAWAII MISCELLANEOUS RULES HAWAII CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION ILLINOIS MISCELLANEOUS RULES ILLINOIS CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

5539

¹The content in this exhibit proposes to remove Codes 5069, 5539, and 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION MARYLAND MISCELLANEOUS RULES MARYLAND CONTRACTING CLASSIFICATION PREMIUM REDUCTION PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Reduction Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Reduction Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION MISSOURI MISCELLANEOUS RULES MISSOURI CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

"Contracting Classifications" are those classifications subject to the following code numbers:

5067

5069

¹The content in this exhibit proposes to remove Codes 5067, 5069, and 5505 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION MONTANA MISCELLANEOUS RULES MONTANA CONSTRUCTION PREMIUM CREDIT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

6017

9552

¹ The content in this exhibit proposes to remove Codes 5069, 6017, and 9552 from the Construction Premium Credit Program Table. In addition, this exhibit proposes to add Code 9554 to the Construction Premium Credit Program Table. The content is not a complete replacement of the existing Construction Premium Credit Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION NEBRASKA MISCELLANEOUS RULES NEBRASKA CONTRACTING CLASSIFICATION PREMIUM CREDIT ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Credit Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Credit Adjustment Program Table content previously approved.

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION

NEW MEXICO MISCELLANEOUS RULES

NEW MEXICO WORKERS COMPENSATION PREMIUM ADJUSTMENT PROGRAM FOR QUALIFYING CLASSIFICATIONS¹

Applicable Contracting Classifications

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Workers Compensation Premium Adjustment Program for Qualifying Classifications Table. The content is not a complete replacement of the existing Workers Compensation Premium Adjustment Program for Qualifying Classifications Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION OKLAHOMA MISCELLANEOUS RULES OKLAHOMA CONTRACTING CLASSIFICATION PREMIUM CREDIT ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5069

¹The content in this exhibit proposes to remove Code 5069 and Code 6017 from the Contracting Classification Premium Credit Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Credit Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION OREGON MISCELLANEOUS RULES OREGON CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

¹The content in this exhibit proposes to remove Code 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 7-RULE

BASIC MANUAL—2001 EDITION VIRGINIA MISCELLANEOUS RULES VIRGINIA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM¹

Applicable Contracting Classifications

"Contracting Classifications" are those classifications subject to the following code numbers:

5067

5069

¹The content in this exhibit proposes to remove Codes 5067, 5069, and 6017 from the Contracting Classification Premium Adjustment Program Table. The content is not a complete replacement of the existing Contracting Classification Premium Adjustment Program Table content previously approved.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: AK)

7219 AUTOMOBILE—HAULAWAY OR DRIVEAWAY—ALL EMPLOYEES & DRIVERS

8380 AUTOMOBILE SERVICE CENTER OR REPAIR CENTER & DRIVERS

Counter clerks who do not engage in shop operations are to be separately rated. Includes parts department employees. Automobile salespersons to be separately rated as Code 8748. Codes 8380 and 8392—Automobile storage garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

- 7219 AUTOMOBILE TOWING COMPANIES—NO OTHER OPERATIONS—ALL EMPLOYEES & DRIVERS
- 8232♦ GONGRETE—READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall be assigned to Gode 7219—Trucking.

- 7219 MOBILE HOME DELIVERY—BY SPECIALIST GONTRAGTOR—DELIVERY ONLY—ALL EMPLOYEES & DRIVERS
- 7360 REFRIGERATOR GAR LOADING OR UNLOADING

Includes earing for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Gode 7219—Trucking.

- 7219 SGAFFOLDING—DELIVERY OF MATERIALS ONLY—NO INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS
- 7219 SNOW REMOVAL—HAULING SNOW UNDER GONTRAGT—NO SNOW GLEARING—ALL EMPLOYEES & DRIVERS
- 8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking.

- 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS
- 7219 TRUCKING NOG—ALL EMPLOYEES AND DRIVERS

Storage warehouse employees to be separately rated.

8292 WAREHOUSING NOC.

Applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: AK)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the employer, either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, must be assigned to the appropriate trucking classification.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

<u>Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.</u>

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: AR)

7228 TRUCKING—LOCAL HAULING ONLY—ALL EMPLOYEES & DRIVERS

The term local hauling as used in this classification means hauling within a radius of two hundred (200) miles from the point of principal garaging.

Includes terminal employees, garage employees, and repairers. Storage warehouse employees, elerical and salespersons only to be separately rated.

Where truckers haul under contract, whether for one or more individuals or concerns, the payroll of employees engaged in hauling under any contract where all of the following enumerated conditions exist may be classified and rated at the appropriate classifications and rates for drivers that would be applicable if such employees were engaged directly by the respective individual or concern with which the contract is made.

The conditions are as follows and apply to each contract separately.

- 1. The contract shall be for a term of not less than one year.
- 2. Specific trucks and employees shall be assigned to perform the hauling under the contract and shall be used exclusively for that purpose.
- 3. A separate record of payroll shall be kept of employees engaged in hauling under the contract.

Payroll of employees engaged in hauling under any contract where all of the foregoing enumerated conditions do not exist shall be classified and rated as Gode 7228—Trucking.

The use of any classification other than Gode 7228—Trucking to cover contract hauling is not available except upon specific determination by the carrier that all of the above enumerated conditions exist.

Where such approval is granted, the policy shall contain a warranty that all of the enumerated conditions exist with respect to the contract or contracts that are classified otherwise than as Gode 7228—Trucking and the name and governing classification of each individual or concern with which such contract is made shall be stated in the warranty.

7229 TRUCKING—LONG-DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

The term long distance hauling as used in this classification means hauling outside a radius of two hundred (200) miles from the point of principal garaging.

Includes local pickup and delivery, terminal employees, garage employees, and repairers. Storage warehouse employees, clerical, and salespersons only to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: AR)

7219 TRUCKING NOC—ALL EMPLOYEES & DRIVERS

Includes terminal employees, garage employees, and repairers. Storage warehouse employees, clerical and salespersons only to be separately rated.

Where truckers haul under contract, whether for one or more individuals or concerns, the payroll of employees engaged in hauling under any contract where all of the following enumerated conditions exist may be classified and rated at the appropriate classifications and rates for drivers that would be applicable if such employees were engaged directly by the respective individual or concern with which the contract is made.

The conditions are as follows and apply to each contract separately.

- 1. The contract must be for a term of not less than one year.
- 2. Specific trucks and employees must be assigned to perform the hauling under the contract and must be used exclusively for that purpose.
- 3. A separate record of payroll must be kept of employees engaged in hauling under the contract.

Payroll of employees engaged in hauling under any contract where all of the foregoing enumerated conditions do not exist must be classified and rated as Code 7219—Trucking NOC—All Employees & Drivers.

The use of any classification other than Code 7219 to cover contract hauling is not available except upon specific determination by the carrier that all of the above-enumerated conditions exist.

Where such approval is granted, the policy must contain a warranty that all of the enumerated conditions exist with respect to the contract or contracts that are classified otherwise than as Code 7219 and the name and governing classification of each individual or concern with which such contract is made must be stated in the warranty.

EXHIBIT 8-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: AZ)

7250 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES

Code 0790 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 0790 is not subject to experience rating or retrospective rating.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: CO)

1452 ORE MILLING

Includes concentration or amalgamation. Codes 1452, 1430, and 1438 must not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Drivers to be separately rated <u>to the appropriate trucking</u> classification.as Gode 7228 or 7229.

TOW TRUCK OPERATORS

7228 Local Hauling Only—All Employees & Drivers

7229 Long Distance Hauling—All Employees & Drivers

Note: The following procedure will be followed for Godes 3821, 7228, 7229, 8380 and 8393. When towing operations constitute more than 50% of the insured's gross receipts, Godes 7228 or 7229 shall be assigned to the tow truck drivers and their helpers. For businesses with 50% or less of their total gross receipts in towing, remuneration for drivers and their helpers shall be assigned to one of the above codes that best describes the business.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: CT)

8393 AUTOMOBILE—BODY REPAIR

Applies to the repair of metal, fiberglass, and plastic automobile bodies and includes upholstering and painting. Codes 8393, 3808, 3822, and 3824 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Mechanical service or repair to be separately rated as Code 8380. Towing for others and roadside assistance to be separately rated.

8380 AUTOMOBILE—SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748.

Automobile body repair to be separately rated as Code 8393.

Towing for others and roadside assistance to be separately rated.

8380 AUTOMOBILE—SERVICE OR REPAIR CENTER & DRIVERS

Includes parts department employees. Automobile salespersons to be separately rated as Code 8748. Codes 8380 and 8392 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Automobile body repair to be separately rated as Code 8393. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: FL)

8393 **AUTOMOBILE—BUMPER REPAIR** Electroplating operations to be separately rated as Code 3372. Towing for others and roadside assistance to be separately rated. 7249 AUTOMOBILE—HAULAWAY OR DRIVEAWAY—ALL EMPLOYEES & DRIVERS 7219 AUTOMOBILE—TOWING COMPANIES—NO OTHER OPERATIONS—ALL EMPLOYEES & **DRIVERS** 8232♦ GONGRETE—READY-MIX DEALER & YARD EMPLOYEES, DRIVERS Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete must be assigned to Code 7219—Trucking. 7219 MOBILE HOME DELIVERY BY SPECIALIST CONTRACTOR—DELIVERY ONLY—ALL EMPLOYEES & DRIVERS 7360 REFRIGERATOR GAR LOADING OR UNLOADING Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Code 7219—Trucking. 7219 SCAFFOLDING-DELIVERY OF MATERIALS ONLY-NO INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS 7219 SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—NO SNOW CLEARING—ALL **EMPLOYEES & DRIVERS** 8292 STORAGE WAREHOUSE NOG Applies to general merchandise. Drivers to be separately rated as Code 7219 - Trucking. 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS 7249 TRUCKING NOC-ALL EMPLOYEES & DRIVERS Storage warehouse employees to be separately rated. 8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated as Gode 7219 - Trucking.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: FL)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the employer, either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, must be assigned to the appropriate trucking classification.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

<u>Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.</u>

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: HI)

8391 AIR-CONDITIONING SYSTEMS—AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8393 AUTOMOBILE BODY REPAIR

Applies to the repair of metal, fiberglass, and plastic automobile bodies and includes upholstering and painting. Codes 8393, 3822, and 3824—Automobile body mfg., Gode 3808—Automobile mfg., and Gode 8391—Automobile repair shop shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE CAR WASH & DRIVERS

Includes incidental greasing, polishing, and servicing. Codes 8387 , and 8391,—Automobile sales or service agency or 8392—Automobile storage garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

- AUTOMOBILE LEASING COMPANY—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

 Towing for others and roadside assistance to be separately rated.
- **AUTOMOBILE MUFFLER—INSTALLATION OR REPAIR & DRIVERS**Towing for others and roadside assistance to be separately rated.
- AUTOMOBILE REPAIR SHOP AND PARTS DEPARTMENT EMPLOYEES, DRIVERS

 Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE SERVICE STATION & DRIVERS

Codes 8387, and 8391—Automobile sales or service agency, or 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Gasoline station—self-service to be separately rated. <u>Towing for others and roadside assistance to be</u> separately rated.

8387 BRAKE SERVICE OR REPAIR—AUTOMOBILE & DRIVERS

Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: HI)

8387 GASOLINE STATION NOC—RETAIL & DRIVERS

Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>and</u> automobile maintenance or repair, or towing services. Codes 8387, and 8391—Automobile garage sales or service agency, and 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 MUFFLER INSTALLATION OR REPAIR—AUTOMOBILES & DRIVERS

Towing for others and roadside assistance to be separately rated.

8387 RUBBER TIRE DEALER—RETAIL & DRIVERS

Includes repairing, vulcanizing, <u>and</u> the adjustment of tires to vehicles away from the premises of the <u>insuredemployer</u>. Codes 8387, and 8391,—Automobile garage, sales or service agency or 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 STORAGE BATTERY SERVICE STATION & DRIVERS

Codes 8387 and 8391—Automobile garage or 8392—Automobile storage garage shallmust not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8391 TRUCK LEASING—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: ID)

7219	AUTOMOBILE—HAULAWAY OR DRIVEAWAY & DRIVERS
7219	AUTOMOBILE—TOWING COMPANIES—NO OTHER OPERATIONS & DRIVERS
8232 ♦	GONGRETE READ Y MIX DEALER & YARD EMPLOYEES , DRIVERS
	Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall be assigned to Gode 7219—Trucking.
7219	MOBILE HOME DELIVERY BY SPECIALIST CONTRACTOR—DELIVERY ONLY
7360	REFRIGERATOR CAR LOADING OR UNLOADING
	Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Gode 7219—Trucking.
7219	SGAFFOLDING—DELIVERY OF MATERIALS ONLY—NO INSTALLATION, REPAIR OR REMOVAL
7219	SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—NO SNOW CLEARING
8292	STORAGE WAREHOUSE NOG
	Applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking.
7219	TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS
7219	TRUCKING NOC—ALL EMPLOYEES & DRIVERS
	Storage warehouse employees to be separately rated.
8292	WAREHOUSING NOC
	Applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: ID)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the employer, either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, must be assigned to the appropriate trucking classification.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

<u>Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.</u>

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 8-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: IN)

8393 TRUCK OR TRAILER BODY REPAIR & DRIVERS

Truck or trailer body mfg. to be separately rated. <u>Towing for others and roadside assistance to</u> be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: LA)

6017• DAM OR LOCK CONSTRUCTION—CONCRETE WORK—ALL OPERATIONS

Includes work on foundations, or the making, setting up or taking down of forms, scaffolds, falsework, or concrete distributing apparatus. With respect to non-pneumatic caisson or non-pneumatic cofferdam operations, the appropriate caisson or cofferdam classification must apply only to the construction, maintenance, or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson or cofferdam work to be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: LA)

8393 AUTOMOBILE—BODY REPAIR & DRIVERS

Applies to the repair of metal automobile bodies and includes upholstering and painting. Codes 8393, 3822, 3824, 3808, and 8391 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

Air-Conditioning Installation, Service or Repair. See Air conditioning systems.

- 8393 Bedy Repair. Applies to the repair of metal automobile bodies and includes upholstering and painting. Codes 8393 and 3822 and 3824—Automobile body mfg., 3808—Automobile mfg., and 8391—Automobile repair shop must not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.
- 8391 Brake Service or Repair & Drivers
- **8387 Car Wash & Drivers.** Includes incidental greasing, polishing, and servicing. Godes 8387 and 8391—Automobile sales or service agency or 8392—Automobile storage garage must not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.
- 8387 Glass Installation
- 7219 Haulaway or Driveaway—All Employees & Drivers

Leasing Company—Long-Term:

- 8391 All Other Employees & Drivers
- 8391 Muffler Installation or Repair & Drivers
- 8391 Radiator Repair—Ne Manufacturing & Drivers
- 8394 Repair Shop & Parts Department Employees, Drivers. Automobile salespersons to be separately rated as Gode 8748.
- 8394 Sales er Service Agency & Parts Department Employees, Drivers. Automobile salespersons to be separately rated as Gode 8748.
- **Service Station & Drivers.** Godes 8387 and 8391—Automobile sales or service agency or 8392—Automobile storage garage must not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.
- 7219 Towing Companies—No Other Operations—All Employees & Drivers

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: LA)

8391 AUTOMOBILE BRAKE SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE CAR WASH & DRIVERS

Includes incidental greasing, polishing, and servicing. Codes 8387 and 8391—Automobile sales or service agency or 8392—Automobile storage garage must not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

8387 AUTOMOBILE GLASS INSTALLATION

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE LEASING COMPANY—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE MUFFLER INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE RADIATOR REPAIR—NO MANUFACTURING & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE REPAIR SHOP & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

<u>Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside</u> assistance to be separately rated.

8387 AUTOMOBILE SERVICE STATION & DRIVERS

Codes 8387 and 8391—Automobile sales or service agency or 8392—Automobile storage garage must not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: LA)

8391 AIR-CONDITIONING SYSTEMS—AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete must be assigned to Code 7219—Trucking.

8387 GASOLINE STATION NOC—RETAIL & DRIVERS

Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>and</u> automobile maintenance or repair, or towing services. Codes 8387, and 8391—Automobile garage, sales or service agency, and 8392—Automobile storage garage must not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Gode 7219—Trucking—NOC—All Employess & Drivers.

8387 RUBBER TIRE DEALER—RETAIL & DRIVERS

Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of insuredthe employer. Codes 8387, and 8391—Automobile garage, sales or service agency, or 8392—Automobile storage garage must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

- 7219 SCAFFOLDING—DELIVERY OF MATERIALS ONLY—NO INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS
- 7219 SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—NO SNOW CLEARING—ALL EMPLOYEES & DRIVERS

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: LA)

8387 STORAGE BATTERY SERVICE STATION & DRIVERS

Codes 8387 and 8391—Automobile garage or 8392—Automobile storage garage must not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

- 8292 STORAGE WAREHOUSE NOC
 - Applies to general merchandise. Drivers to be separately rated as Code 7219 Trucking.
- 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS
- 7219 TRUCKING NOC-ALL EMPLOYEES & DRIVERS

Storage warehouse employees to be separately rated.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated as Gode 7219 - Trucking.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: LA)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the employer, either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, must be assigned to the appropriate trucking classification.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

<u>Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.</u>

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: MO)

8391 AIR-CONDITIONING SYSTEMS—AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8393 AUTOMOBILE BODY REPAIR

Applies to the repair of metal automobile bodies and includes upholstering and painting. Codes 8393, and 3822, and 3824—Automobile body mfg., 3808—Automobile mfg., and 8391—Automobile repair shop shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE BRAKE SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE CAR WASH & DRIVERS

Includes incidental greasing, polishing, and servicing. Codes 8387, and 8391—Automobile sales or service agency, or 8392—Automobile storage garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

- 7228 AUTO HAULAWAY OR DRIVEAWAY & DRIVERS—LOCAL
- 7229 AUTO HAULAWAY OR DRIVEAWAY & DRIVERS—LONG DISTANCE
- 8387 AUTOMOBILE GLASS INSTALLATION

Towing for others and roadside assistance to be separately rated.

- AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR—AIR-CONDITIONING & DRIVERS
 Towing for others and roadside assistance to be separately rated.
- AUTOMOBILE LEASING COMPANY—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS
 Towing for others and roadside assistance to be separately rated.
- 8391 AUTOMOBILE MUFFLER INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE RADIATOR REPAIR—NO MANUFACTURING & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE REPAIR SHOP & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: MO)

8387 AUTOMOBILE SERVICE STATION & DRIVERS

Codes 8387, and 8391,—Automobile sales or service agency or 8392—Automobile storage garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

- 7228 AUTOMOBILE TOWING COMPANIES—NO OTHER OPERATIONS & DRIVERS—LOCAL
- 7229 AUTOMOBILE TOWING COMPANIES—NO OTHER OPERATIONS & DRIVERS—LONG DISTANCE
- 8387 GASOLINE STATION—NOC—RETAIL & DRIVERS

Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>and</u> automobile maintenance or repair, or towing services. Codes 8387, and 8391,—Automobile garage, sales or service agency and 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 RUBBER TIRE DEALER—RETAIL & DRIVERS

Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of insuredthe employer. Codes 8387, and 8391,— Automobile garage, sales or service agency or 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 STORAGE BATTERY SERVICE STATION & DRIVERS

Codes 8387, and 8391,—Automobile garage or 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

8387 TAXIMETERS—INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8393 TRAILER BODY MFG.—NOT HOME TYPE

The automobile body classifications contemplate include the complete manufacture and assembly of trailers, including chassis, body, and installation of interior equipment. These classifications are not applicable to insureds engaged in do not apply to employers that perform truck or trailer body repair and/or service operations in this state. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: MO)

TRUCKING

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 2-G.

Each classification includes miscellaneous employees such as terminal employees, stable hands, garage employees, blacksmiths, and repairers.

7250 Hauling Explosives or Ammunition—All Employees & Drivers. Gode 0790 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Gode 0790 is not subject to experience rating or retrospective rating.

7228 Leeal Hauling Only & Drivers. The term "local hauling" as used in this classification means hauling within a radius of two hundred (200) miles from the point of principal garaging.

Includes terminal employees. Storage warehouse employees, clerical, salespersons, garage

Includes terminal employees. Storage warehouse employees, clerical, salespersons, garage employees and mechanics only to be separately rated.

Where truckers haul under contract, whether for one or more individuals or concerns, the payroll of employees engaged in hauling under any contract where all of the following enumerated conditions exist may be classified and rated at the appropriate classifications and rates for drivers that would be applicable if such employees were engaged directly by the respective individual or concern with which the contract is made.

The conditions are as follows and apply to each contract separately:

- 1. The contract shall be for a term of not less than one year.
- 2. Specific trucks and employees shall be assigned to perform the hauling under the contract and shall be used exclusively for that purpose.
- A separate record of payroll shall be kept of employees engaged in hauling under the contract.

Payroll of employees engaged in hauling under any contract where all of the foregoing enumerated conditions do not pertain shall be classified and rated as Gode 7228—Trucking. The use of any classification other than Gode 7228 to cover contract hauling is not available except upon specific determination by the carrier that all of the above conditions pertain.

Where such determination is made, the policy shall contain a warranty that all of the enumerated conditions exist with respect to the contract or contracts that are classified otherwise than as Gode 7228—Trucking, and the name and governing classification of each individual or concern with which such contract is made shall be stated in the warranty.

Long-Distance Hauling & Drivers. The term long distance hauling as used in this classification means hauling outside a radius of two hundred (200) miles from the point of principal garaging.

Includes local pickup and delivery, terminal employees. Storage warehouse employees, clerical, salespersons, garage employees and mechanics only to be separately rated.

7229

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: MO)

7219 TRUCKING NOC & DRIVERS

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, will under no circumstances be classified and rated except in accordance with the appropriate trucking classification.

<u>Exception</u>: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. *Refer to Rule 2-G*.

Each classification includes miscellaneous employees such as terminal employees, stable hands, garage employees, blacksmiths, and repairers.

Includes terminal employees. Storage warehouse employees, clerical, salespersons, garage employees, and mechanics only to be separately rated.

Where truckers haul under contract, whether for one or more individuals or concerns, the payroll of employees engaged in hauling under any contract where all of the following conditions exist may be classified and rated at the appropriate classifications and rates for drivers that would be applicable if such employees were engaged directly by the respective individual or concern with which the contract is made.

The conditions are as follows and apply to each contract separately:

- 1. The contract must be for a term of not less than one year.
- <u>2. Specific trucks and employees will be assigned to perform the hauling under the contract and must be used exclusively for that purpose.</u>
- <u>3.</u> A separate record of payroll must be kept of employees engaged in hauling under the contract.

Payroll of employees engaged in hauling under any contract where all of the foregoing enumerated conditions do not pertain must be classified and rated as Code 7219—Trucking NOC. The use of any classification other than Code 7219 to cover contract hauling is not available, except upon specific determination by the carrier that all of the above conditions pertain.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: MT)

AUTOMOBILE TOWING COMPANIES—NO OTHER OPERATIONS—ALL EMPLOYEES & DRIVERS 8232 CONGRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall be assigned to Gode 7210—Trucking. 7360 REFRIGERATOR CAR LOADING OR UNLOADING Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Gode 7210—Trucking. 7219 SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—NO SNOW CLEARING—ALL EMPLOYEES & DRIVERS 8292 STORAGE WAREHOUSE NOC Applies to general merchandise. Drivers to be separately rated as Gode 7210—Trucking. 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS 7219 TRUCKING NOC—ALL EMPLOYEES & DRIVERS	7219	AUTOMOBILE HAULAWAY OR DRIVEAWAY—ALL EMPLOYEES & DRIVERS
Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall be assigned to Gode 7219—Trucking. 7360 REFRIGERATOR GAR LOADING OR UNLOADING Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Gode 7219—Trucking. 7219 SNOW REMOVAL—HAULING SNOW UNDER GONTRAGT—NO SNOW GLEARING—ALL EMPLOYEES & DRIVERS 8292 STORAGE WAREHOUSE NOG Applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking. 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS	7219	7.0.10
operations incidental to the loading of trucks and delivery of such concrete shall be assigned to Code 7219—Trucking. 7360 REFRIGERATOR GAR LOADING OR UNLOADING Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Code 7219—Trucking. 7219 SNOW REMOVAL—HAULING SNOW UNDER GONTRAGT—NO SNOW GLEARING—ALL EMPLOYEES & DRIVERS 8292 STORAGE WAREHOUSE NOG Applies to general merchandise. Drivers to be separately rated as Code 7219—Trucking. 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS	8232 ♦	CONGRETE READY MIX DEALER & YARD EMPLOYEES, DRIVERS
Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be rated as Gode 7219—Trucking. SNOW REMOVAL—HAULING SNOW UNDER GONTRAGT—NO SNOW GLEARING—ALL EMPLOYEES & DRIVERS STORAGE WAREHOUSE NOG Applies to general merchandise. Drivers to be separately rated as Code 7219—Trucking. TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS		operations incidental to the loading of trucks and delivery of such concrete shall be assigned
be rated as Gode 7219—Trucking. SNOW REMOVAL—HAULING SNOW UNDER GONTRAGT—NO SNOW GLEARING—ALL EMPLOYEES & DRIVERS STORAGE WAREHOUSE NOG Applies to general merchandise. Drivers to be separately rated as Code 7219—Trucking. TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS	7360	REFRIGERATOR CAR LOADING OR UNLOADING
EMPLOYEES & DRIVERS 8292 STORAGE WAREHOUSE NOG Applies to general merchandise. Drivers to be separately rated as Code 7219—Trucking. 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS		
Applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking. 7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS	7219	
7219 TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS	8292	STORAGE WAREHOUSE NOG
		Applies to general merchandise. Drivers to be separately rated as Code 7219—Trucking.
7219 TRUCKING NOG—ALL EMPLOYEES & DRIVERS	7219	TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS
	7219	TRUCKING NOC—ALL EMPLOYEES & DRIVERS
Storage warehouse employees to be separately rated.		Storage warehouse employees to be separately rated.
9202 WAREHOUSING NOC	8292	WAREHOUSING NOC
	OLUL	WAILE TO GO THE TO THE TOTAL THE TOT

Applies to general merchandise. Drivers to be separately rated as Code 7219 - Trucking.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: MT)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the employer, either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, must be assigned to the appropriate trucking classification.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

<u>Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.</u>

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: NM)

4061 POTTERY MFG.—EARTHENWARE—GLAZED OR PORGELAIN—HAND MOLDED OR GAST—INCLUDING MANUFACTURE OF SINKS, BATHTUBS, AND GOMMODES

Godes 4061 and 4062 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses. Mining, quarrying, or clay digging to be separately rated.

4062 POTTERY MFG.—EARTHENWARE—GLAZED OR PORCELAIN—HAND MOLDED OR CAST—INCLUDING MANUFACTURE OF SINKS, BATHTUBS, AND TOILETS

Mining, quarrying, or clay digging to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: NM)

8393 AUTOMOBILE BUMPER STRAIGHTENING AND REPAIR

Towing for others and roadside assistance to be separately rated.

6216 GAS OR OIL—LEASE WORK NOC—NATURAL GAS—BY SPECIALIST CONTRACTOR & DRIVERS

Includes clearing land, building lease roads, slush pits, levees, or fire walls; laying or taking up flow lines and water lines; installing central pumping units; and lease beautification work. The following operations are not included in Code 6216 and must be separately rated: pipeline construction, tank building, rig or derrick erecting or dismantling, installation or recovery of casing, drilling, cementing, cleaning and swabbing of wells, or well shooting. Not applicable to owner/operators of a gas or oil lease operation, or to a riskan employer under contract with the lease owner that performs all operations necessary to work a gas or oil lease. Water hauling operations servicing gas or oil well sites are separately rated to the appropriate trucking classification. Gode 7228 or Gode 7229.

6216 OIL OR GAS-LEASE WORK NOC-BY SPECIALIST CONTRACTOR & DRIVERS

Includes clearing land, building lease roads, slush pits, levees, or fire walls; laying or taking up flow lines and water lines; installing central pumping units; and lease beautification work. The following operations are not included in Code 6216 and must be separately rated: pipeline construction, tank building, rig or derrick erecting or dismantling, installation or recovery of casing, drilling, cementing, cleaning and swabbing of wells, or well shooting. Not applicable to owner/operators of an oil or gas lease operation, or to a riskan employer under contract with the lease owner that performs all operations necessary to work an oil or gas lease. Water hauling operations servicing oil or gas well sites are separately rated to the appropriate trucking classification. Gode 7228 or Gode 7229.

7228 WATER HAULING OPERATIONS—OIL OR GAS—LOGAL HAULING ONLY—ALL EMPLOYEES & DRIVERS

Applies to water hauling operations servicing oil or gas well sites that operate within a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Water hauling operations involve delivering water to a storage tank near the drilling rig that is used to facilitate the removal of cuttings during the drilling process, and removing waste water from these sites. The waste water is pumped into the tank truck and taken to a designated disposal site.

7229 WATER HAULING OPERATIONS—OIL OR GAS—LONG DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

Applies to water hauling operations servicing oil or gas well sites outside a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Water hauling operations involve delivering water to a storage tank near the drilling rig that is used to facilitate the removal of cuttings during the drilling process, and removing waste water from these sites. The waste water is pumped into the tank truck and taken to a designated disposal site.

EXHIBIT 8-RULE (CONT'D)
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: NM)

7219 WATER-HAULING OPERATIONS—OIL OR GAS—ALL EMPLOYEES & DRIVERS

Applies to water-hauling operations servicing oil or gas well sites. Water-hauling operations involve delivering water to a storage tank near the drilling rig that is used to facilitate the removal of cuttings during the drilling process, and removing waste water from these sites. The waste water is pumped into the tank truck and taken to a designated disposal site.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: OK)

8393 AUTOMOBILE BODY REPAIR

Applies to the repair of metal automobile bodies and includes upholstering and painting. Codes 8393, and 3822, and 3824—Automobile body mfg., 3808—Automobile mfg., and 8391—Automobile repair shop mustshall not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE BRAKE SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE CAR WASH & DRIVERS

Includes incidental greasing, polishing, and servicing. Codes 8387, and 8391—Automobile sales or service agency or 8392—Automobile storage garage mustshall not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE GLASS INSTALLATION

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE LEASING COMPANY—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE MUFFLER INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE SERVICE STATION & DRIVERS

Codes 8387, and 8391,—Automobile sales or service agency or 8392—Automobile storage garage mustshall not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE INSTALLATION, SERVICE OR REPAIR—AIR-CONDITIONING & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE RADIATOR REPAIR—NO MFG. & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE REPAIR SHOP & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE SALES OR SERVICE AGENCY AND PARTS DEPARTMENT EMPLOYEES & DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: OK)

8387 GASOLINE STATION NOC RETAIL & DRIVERS

Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>and</u> automobile maintenance or repair, or towing services. Codes 8387, and 8391,—Automobile garage, sales or service agency and 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 RUBBER TIRE DEALER—RETAIL & DRIVERS

Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of the employerinsured. Codes 8387, and 8391,—Automobile garage, sales or service agency or 8392—Automobile storage garage mustshall not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 STORAGE BATTERY SERVICE STATION & DRIVERS

Codes 8387, and 8391,—Automobile garage or 8392—Automobile storage garage <u>mustshall</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

8387 TAXIMETERS—INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: OR)

4053 POTTERY MFG.—CHINA, TABLEWARE AND DECORATIVE

Includes manufacture by slip molding process. No manufacture of sinks, bathtubs, nor commodes. Mining, quarrying or clay digging to be separately rated.

4062 POTTERY MFG.—CHINA, TABLEWARE AND DECORATIVE

<u>Includes manufacture by slip molding process.</u> Mining, quarrying, or clay digging to be separately rated.

4061 POTTERY MFG.—EARTHENWARE—GLAZED OR PORGELAIN—HAND MOLDED OR GAST

Includes manufacture of sinks, bathtubs, and commodes. Decorative pottery manufacture to be assigned to Code 4053. Codes 4061 and 4062—Pottery Mfg.—Porcelain Ware Press Forming shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Mining, quarrying or clay digging to be separately rated.

4062 POTTERY MFG.—EARTHENWARE—GLAZED OR PORCELAIN—HAND MOLDED OR CAST

<u>Includes manufacture of sinks, bathtubs, and toilets. Mining, quarrying, or clay digging to be</u> separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: OR)

AUTOMOBILE

Note:

3824

- 1. Towing for others and roadside assistance to be separately rated. Code 7225 must be assigned to tow truck drivers and their helpers when towing for others or providing roadside assistance. Codes 3821, 7219, 8380, and 8393. Where towing operations constitute more than 50% of the gross receipts, Code 7219 shall be assigned to the tow truck drivers and their helpers. When the insured cannot establish that towing receipts constitute 50% or less of total receipts from operations during the period, Code 7219 shall be assigned to all tow truck drivers and their helpers.
- 2. Code 8393. *Exception:* Body shop operations operated in conjunction with automobile dealerships or any other auto repair shop may be separately rated as Code 8393—Automobile body repair, provided the following conditions are met:
 - a. Operations are physically separated-
 - b. Operations are conducted without interchange of work-
 - c. Separate payroll records are maintained-
 - If the above conditions are not met, then all body shop employees <u>must</u>shall be assigned to Code 8380.
- 3. Codes 8393, 3822, 3824, and 3808. Codes 8393.—Automobile body repair and 3822 and 3824.—Automobile body manufacturing, and 3808.—Automobile manufacturing and assembly shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses.
- 4. Code 8380 with a convenience store operation at the same location. Employees selling a variety of items such as, but not limited to, snack foods, cereal, processed packaged foods, canned or frozen foods, fruits, vegetables, dairy products, health or beauty products, canned or bottled beverages, tobacco, publications, videos, flowers, bakery products, candy, coffee, tea, ice, delicatessen foods, flour, condiments, toiletries, sundries, automobile accessories, money orders, check cashing service, and the service of food or beverages may be separately rated to the appropriate store classification as long as there is a physical separation between the sale of the other merchandise and the dispensing of the gasoline.

8380	Air-Conditioning—Installation—Service Repair & Drivers. See Automobile Notes 1 and 2.
	Bedy
	Mfg., Bus, Truck or Trailer
3822	Die Pressed Steel. See Automobile Note 3.

Repair & Drivers. Applies to the repair of metal automobile bodies and includes upholstering and painting. See Oregon pages for Special Classifications Applicable to Assigned Risk Policies Only. See Automobile Notes 1, 2, and 3.

8380 Brake Service or Repair & Drivers. See Automobile Notes 1 and 2.
8380 Gasoline Station—NGC—Retail & Drivers. See Automobile Note 4.
8380 Glass Installation & Drivers. See Automobile Notes 1 and 4.

Manufacturing and Assembly. See Automobile Note 3.

NOC. See Automobile Note 3.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: OR)

8380	Radiator Repair—No Manufacturing & Drivers. See Automobile Notes 1 and 2.	
	Re pair, Sales er Service Agency & Drivers	
8380	Repair, Sales or Service Agency & Drivers. Includes service workers, janitors, repair of parts and delivery. See Automobile Notes 1 and 2.	
8748	S alespersons	
8046♦	Parts Department Employees & Drivers. Applies to the sale of parts and accessories by store or parts department employees.	
	Sales er Service Agency & Drivers. See Automobile—Repair, sales or service agency.	
8380	Service Station & Drivers. See Automobile Notes 1 and 4.	
8380	Storage Battery Service Station & Drivers. See Automobile Notes 1 and 4.	
8380	Taximeters Installation or Repair & Drivers. See Automobile Notes 1 and 4.	
	Towing Service. See Automobile Note 1.	
8393	Truck or Trailer Body Repair & Drivers. See Oregon pages for Special Classifications Applicable to Assigned Risk Policies Only. See Automobile Notes 1, 2, and 3.	

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: OR)

<u>8380</u>		
	See Automobile Notes 1 and 2.	
<u>3822</u>	AUTOMOBILE—BODY MFG., BUS, TRUCK, OR TRAILER—DIE PRESSED STEEL	
	See Automobile Note 3.	
<u>3824</u>	AUTOMOBILE—BODY MFG., BUS, TRUCK, OR TRAILER—NOC	
	See Automobile Note 3.	
<u>8393</u>	AUTOMOBILE—BODY REPAIR & DRIVERS	
	Applies to the repair of metal automobile bodies and includes upholstering and painting. See Oregon pages for Special Classifications Applicable to Assigned Risk Policies Only. See Automobile Notes 1, 2, and 3.	
8380	AUTOMOBILE—BRAKE SERVICE OR REPAIR & DRIVERS	
	See Automobile Notes 1 and 2.	
8380	AUTOMOBILE—GASOLINE STATION—NOC—RETAIL & DRIVERS	
	See Automobile Note 4.	
8380	AUTOMOBILE—GLASS INSTALLATION & DRIVERS	
	See Automobile Notes 1 and 4.	
	AUTOMOBILE MANUFACTURING AND ASSEMBLY	
	See Automobile Note 3.	
<u>8380</u>	AUTOMOBILE—RADIATOR REPAIR—NO MANUFACTURING & DRIVERS	
	See Automobile Notes 1 and 2.	
<u>8380</u>	AUTOMOBILE—REPAIR, SALES, OR SERVICE AGENCY & DRIVERS	
	Includes service workers, janitors, repair of parts and delivery. See Automobile Notes 1 and 2.	
<u>8046</u> ♦	AUTOMOBILE—REPAIR, SALES, OR SERVICE AGENCY & DRIVERS—PARTS DEPARTMENT EMPLOYEES & DRIVERS	
	Applies to the sale of parts and accessories by store or parts department employees.	
<u>8748</u>	AUTOMOBILE—REPAIR, SALES, OR SERVICE AGENCY & DRIVERS—SALESPERSONS	
	AUTOMOBILE—SALES OR SERVICE AGENCY & DRIVERS	
	See Automobile—Repair, sales or service agency.	
8380	AUTOMOBILE—SERVICE STATION & DRIVERS	
	See Automobile Notes 1 and 4.	
8380	AUTOMOBILE—STORAGE BATTERY SERVICE STATION & DRIVERS	
	See Automobile Notes 1 and 4.	
8380	AUTOMOBILE—TAXIMETERS—INSTALLATION OR REPAIR & DRIVERS	
	Con Automobile Naton 4 and 4	

See Automobile Notes 1 and 4.

EXHIBIT 8-RULE
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: OR)

AUTOMOBILE TOWING SERVICE

See Automobile Note 1.

8380 AUTOMOBILE—TRUCK OR TRAILER BODY REPAIR & DRIVERS

See Oregon pages for Special Classifications Applicable to Assigned Risk Policies Only. See Automobile Notes 1, 2, and 3.

EXHIBIT 8-RULE (CONT'D)
BASIC MANUAL—2001 EDITION
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: OR)

7219 TRUCKING NOC—DRIVERS AND THEIR HELPERS

See Automobile and School.

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, must under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification. Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E. Refer to Code 9328 for garage, dock and warehouse employees of trucking firms.

8232♦ GONGRETE READY-MIX DEALER AND YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the insured either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall be assigned to the appropriate trucking classification.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: OR)

8232♦ CONCRETE READY-MIX DEALER & YARD EMPLOYEES, DRIVERS

Delivery of concrete not owned by the employer, either in storage or while in transit, including all operations incidental to the loading of trucks and delivery of such concrete, must be assigned to the appropriate trucking classification.

7360 REFRIGERATOR CAR LOADING OR UNLOADING

<u>Includes caring for freight in cars during transit. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.</u>

8292 STORAGE WAREHOUSE NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

8292 WAREHOUSING NOC

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: RI)

AIR-CONDITIONING SYSTEMS—AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR
Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE AIR-CONDITIONING & DRIVERS

Towing for others and roadside assistance to be separately rated.

8393 AUTOMOBILE BODY REPAIR

Applies to the repair of metal automobile bodies and includes upholstering and painting. Codes 8393, and 3822, and 3824—Automobile body mfg., 3808—Automobile mfg., and 8391—Automobile repair shop shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE BRAKE SERVICE OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE CAR WASH & DRIVERS

Includes incidental greasing, polishing and servicing. Codes 8387, and 8391,—Automobile sales or service agency or 8392—Automobile storage garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE GLASS INSTALLATION, SERVICE OR REPAIR

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE LEASING COMPANY—LONG-TERM—ALL OTHER EMPLOYEES & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE MUFFLER INSTALLATION OR REPAIR & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE RADIATOR REPAIR—NO MFG. & DRIVERS

Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE REPAIR SHOP & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8391 AUTOMOBILE SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

8387 AUTOMOBILE SERVICE STATION & DRIVERS

Codes 8387, and 8391,—Automobile sales or service agency or 8392—Automobile storage garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: RI)

8387 GASOLINE STATION NOC—RETAIL & DRIVERS

Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>and</u> automobile maintenance or repair, or towing services. Codes 8387, and 8391,—Automobile garage, sales or service agency and 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 RUBBER TIRE DEALER—RETAIL & DRIVERS

Includes repairing, vulcanizing, and the adjustment of tires to vehicles away from the premises of insuredthe employer. Codes 8387, and 8391,—Automobile garage, sales or service agency or 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

8387 STORAGE BATTERY SERVICE STATION & DRIVERS

Codes 8387, and 8391,—Automobile garage or 8392—Automobile storage garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: SD)

7228 TRUCKING—LOGAL HAULING ONLY—ALL EMPLOYEES & DRIVERS

The term "local hauling" as used in this classification means hauling within a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" as used above means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Storage warehouse employees to be separately rated. Mechanics and garage employees to be separately rated as Code 8370.

If vehicles with drivers, chauffeurs, messengers, or helpers are engaged under contract and the owner of such vehicles has not furnished evidence that the workers compensation obligation has been insured, the total payroll of such drivers, chauffeurs, messengers, and helpers must be included as payroll for the insured employer which contracted for such vehicles. If that payroll cannot be obtained, then the sole proprietor/partner payroll base, as shown in the state miscellaneous values page, must be used. If the owner of a vehicle under contract is also a driver and is entitled to workers compensation benefits, the sole proprietor/partner payroll base must be included as payroll of the insured employer that contracted for the vehicle.

7229 TRUCKING—LONG DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

The term "long distance hauling" as used in this classification means hauling outside a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" as used above means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Storage warehouse employees to be separately rated. Mechanics and garage employees to be separately rated as Code 8370.

If vehicles with drivers, chauffeurs, messengers, or helpers are engaged under contract and the owner of such vehicles has not furnished evidence that the workers compensation obligation has been insured, the total payroll of such drivers, chauffeurs, messengers, and helpers must be included as payroll for the insured employer which contracted for such vehicles. If that payroll cannot be obtained, then the sole proprietor/partner payroll base, as shown in the state miscellaneous values page, must be used. If the owner of a vehicle under contract is also a driver and is entitled to workers compensation benefits, the sole proprietor/partner payroll base must be included as payroll of the insured employer that contracted for the vehicle.

7219 TRUCKING—ALL EMPLOYEES & DRIVERS

Storage warehouse employees to be separately rated. Mechanics and garage employees to be separately rated as Code 8370.

If vehicles with drivers, chauffeurs, messengers, or helpers are engaged under contract, and the owner of such vehicles has not furnished evidence that the workers compensation obligation has been insured, the total payroll of such drivers, chauffeurs, messengers, and helpers must be included as payroll for the insured employer that contracted for such vehicles. If that payroll cannot be obtained, then the sole proprietor/partner payroll base, as shown in the state miscellaneous values page, must be used. If the owner of a vehicle under contract is also a driver and is entitled to workers compensation benefits, the sole proprietor/partner payroll base must be included as payroll of the insured employer that contracted for the vehicle.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: TN)

8380 AUTOMOBILE SERVICE OR REPAIR CENTER & DRIVERS

Includes parts department employees. Automobile salespersons to be separately rated as 8748. Codes 8380 and 8392 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses.

Tire salespersons who work in a physically separated sales area and do not perform repairs and do not enter into the repair area are to be separately rated as Code 8748. Towing for others and roadside assistance to be separately rated.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED **SPECIAL CLASSIFICATIONS**

(Applies in: TX)

4282	Beet or Shee Pattern Mfg.	
4282	D ress P attern M fg. —P aper	
<u>2534</u>	Feather or Flower Mfg.—Artificial	
2534	Flower or Feather Mfg.—Artificial	
4439	Lacquer or Spirit Varnish Mfg. Includes mixing of thinners or solvents but no nitrocellulose mfg.	
<u>4558</u>	Lacquer or Spirit Varnish Mfg. Includes mixing of thinners or solvents but no nitrocellulose mfg.	
3223	Lamp Mfg. & Repair	
3223	Lamp or Lantern Mfg. NOC	
3223	Lantern or Lamp Mfg. NOG	
<u>3179</u>	Lamp Mfg. & Repair	
<u>3179</u>	Lamp or Lantern Mfg. NOC	
4062	Pottery Mfg.—Earthenware—Glazed or Porcelain—Hand Molded or Gast Mining, quarrying, or clay digging to be separately rated.	
4282	Shee er Beet Pattern Mfg.	
4439	Spirit Varnish or Lacquer Mfg. Includes mixing of thinners or solvents but no nitrocellulose mfg.	
<u>4558</u>	Spirit Varnish or Lacquer Mfg. Includes mixing of thinners or solvents but no nitrocellulose mfg.	
4062	Terra-Gotta Mfg. Applies to decorative or architectural terra-cotta. Mining, quarrying, or clay digging to be separately rated.	
4439	Varnish Mfg.—Oleo-Resinous	
<u>4558</u>	Varnish Mfg.—Oleo-Resinous	
4439	Varnish—Spirit—Or Lacquer Mfg. Includes mixing of thinners or solvents but no nitrocellulose mfg.	
<u>4558</u>	Varnish—Spirit—Or Lacquer Mfg. Includes mixing of thinners or solvents but no nitrocellulose mfg	

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: TX)

8391	Aircraft Painting & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Accessory Store—Wholesale or Retail—NOC & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Air Conditioners—Installation & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Body Repair & Drivers
	Applies to the repair of automobile bodies and includes upholstering and painting. <u>Towing for others and roadside assistance to be separately rated.</u>
8391	Automobile Bumper Reconditioning & Plating & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Conversion & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Engine Rebuilders & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Glass Installation & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Inspection Station & Drivers
	Towing for others and roadside assistance to be separately rated.
8387	Automobile Lubrication, Greasing, and Maintenance & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Machine Shop & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Painting & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Paints Dealer & Drivers
	Towing for others and roadside assistance to be separately rated.
8391	Automobile Parts Store—Wholesale or Retail & Drivers
	Applies to the sale of replacement parts, paints, and supplies. Includes shop operations. <u>Towing</u> for others and roadside assistance to be separately rated.
8391	Automobile Repair Shop and Parts Department Employees, Drivers
	Automobile salespersons to be separately rated as 8748. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: TX)

8391 Automobile Sales or Service Agency and Parts Department Employees, Drivers Automobile salespersons to be separately rated as 8748. Towing for others and roadside assistance to be separately rated. 8387 Automobile Service Station & Drivers Towing for others and roadside assistance to be separately rated. Automobile Tire Dealer—Retail & Drivers 8391 Towing for others and roadside assistance to be separately rated. 7219 Automobile Towing Companies—No Other Operations & Drivers 8391 Boats and Motors—Pleasure Craft—Service & Drivers Towing for others and roadside assistance to be separately rated. 8387 Car Wash—Full Service & Drivers Towing for others and roadside assistance to be separately rated. 8391 **Drive Shaft Rebuilding—Automotive & Drivers** Towing for others and roadside assistance to be separately rated. 8391 **Emissions Testing—Automobile & Drivers** Towing for others and roadside assistance to be separately rated. 8387 Gasoline Station—Retail & Drivers Towing for others and roadside assistance to be separately rated. 8391 **Motorcycle Service & Drivers** Towing for others and roadside assistance to be separately rated. 8391 **Muffler Shop & Drivers** Towing for others and roadside assistance to be separately rated. 8391 Painting—Aircraft & Drivers Towing for others and roadside assistance to be separately rated. 8391 Painting—Automobile or Carriage Bodies & Drivers Towing for others and roadside assistance to be separately rated. 8391 Radiator Repair—Automobile & Drivers Towing for others and roadside assistance to be separately rated. 8387 **Storage Battery Service Station & Drivers** Towing for others and roadside assistance to be separately rated. 8391 Store—Automobile Accessory—Retail—NOC & Drivers Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: TX)

8391	Store—Automobile Parts—Wholesale or Retail & Drivers Applies to the sale of replacement parts, paints, and supplies. Includes shop operations. Towing for others and roadside assistance to be separately rated.
8391	Store—Tire—Retail & Drivers Towing for others and roadside assistance to be separately rated.
8391	Tire Dealer—Retail & Drivers Towing for others and roadside assistance to be separately rated.
8387	Tire Testing—Automobile and Truck & Drivers Towing for others and roadside assistance to be separately rated.
8391	Truck and Trailer Body Repair—No Mfg. & Drivers Towing for others and roadside assistance to be separately rated.
8391	Truck Leasing—Without Operators—Maintenance Only & Drivers Towing for others and roadside assistance to be separately rated.
7219	Trucking—NOC—All Employees & Drivers
	Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.
	Each classification includes miscellaneous employees such as terminal employees, garage employees and repairers.
	Exception:
	When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 2-G.
8391	Van Conversion & Drivers
	Towing for others and roadside assistance to be separately rated.
7219	Wrecker Service—Towing Only & Drivers
8394	Wreeker Service With Garage & Drivers

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

1016

PHRASEOLOGY

COAL MINING—NOC.

Including all operations above or below ground; construction, repair or maintenance of all buildings, structures or equipment; installation of machinery; drivers, chauffeurs, and their helpers.

SCOPE

Code 1016 contemplates includes excavation and tunneling to obtain coal with such equipment such as drilling machines, power-operated hand drills, picks, and hauling equipment such as coal cars, buckets, conveyors, and hoists. Also, additional equipment dealing with elevators, ventilation, lighting, and communication systems is utilized as well as bulldozers, front end loaders, trucks, crushers, screens, and washing equipment. To extract the coal, tunnels and shafts are formed. Walls and ceilings are supported by heavy timber or roof bolts and tracks are set in place for coal cars, men, and equipment. The coal is broken loose with hand tools, automatic drills, and chippers or by blasting. It is then loaded into haulage cars by hand shovel or automatic conveyor. The coal cars are then driven out of the mine, dumped, and returned for reloading. On the surface, the coal is crushed, screened, washed, graded, and hauled away by train or trucks.

Code 1016 is a "not otherwise classified" (NOC) classification. This means that Code 1016 shall will apply to an insured's employer's operation(s) only when no other classification more specifically describes the insured's employer's operation(s). The following is a representative list of operations somewhat related in nature to Code 1016 operations that are not assigned to Code 1016.

- 1005 Coal Mining—Surface & Drivers
- 1642 1655 Lime Mfg.—Quarry—Surface
- 1165 Mining NOC—Not Coal—Surface & Drivers
- 1164 Mining NOC—Not Coal—Underground & Drivers
- 1654 Quarry—Cement Rock—Surface & Drivers
- 1624 Quarry NOC & Drivers
- 4000 Sand or Gravel Digging & Drivers

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 Gode 1016 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

1164

N/A-GA, NJ, NY

PHRASEOLOGY

MINING NOC-NOT COAL-UNDERGROUND-& DRIVERS.

Includes construction, repair or maintenance of all buildings, structures or equipment and the installation of machinery. Contemplates mining with shafts, tunnels or drifts.

GROSS-REF.

State Special: Massachusetts - Gaves - Excavation of New Areas for Exhibition Purposes & Drivers;

Massachusetts Fluorspar Mining & Drivers.

SCOPE

Code 1164 <u>applies to all employees performing is applied to all employees engaged in underground mining involving the extraction of ores, stone, clay, or other minerals. The classification <u>includes contemplates</u> shaft sinking, slope sinking, rock tunneling, or other incidental development work for the production of metal when done by the operator's employees. The ore rock is broken out by drilling and blasting with explosives. The equipment generally involves the use of rock drills, haulage locomotives and cars, hoisting equipment, ventilation equipment, air compressors, air and water pipes, electrical equipment, timber, track, and miscellaneous steel.</u>

Code 1164 <u>also applies is also applicable</u> to the excavation or expansion of areas in existing caves that are being used for exhibition purposes.

Code 1164 is a "not otherwise classified" (NOC) classification. This means that Code 1164 <u>will shall apply</u> to an <u>employer's insured's</u> operation(s) only when no other classification more specifically describes the <u>employer's insured's</u> operation(s). The following is a representative list of operations somewhat related in nature to Code 1164 operations that are not assigned to Code 1164.

- 1016 Coal Mining—NOC
- 1005 Coal Mining—Surface & Drivers
- 1642 1655 Lime Mfg.—Quarry—Surface
- 1165 Mining NOC—Not Coal—Surface & Drivers
- 1654 Quarry—Cement Rock—Surface & Drivers
- 1624 Quarry NOC & Drivers
- 4000 Sand or Gravel Digging & Drivers

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 Gode 1164 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

State Addendum

Massachusetts

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 8-RULE (CONT'D)

BASIC MANUAL—2001 EDITION—VIRGINIA

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS

(Applies in: VA)

Code 1016—Coal Mining—NOC (N/A MA). Refer to Code 1624 for risks engaged in the quarrying of cement rock—Quarry—Cement Rock (Code 1654 N/A MA).

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

1165

N/A-GA, NJ, NY

PHRASEOLOGY

MINING NOC-NOT COAL-SURFACE & DRIVERS.

Includes construction, repair or maintenance of all buildings, structures or equipment and the installation of machinery. Does not contemplate mining with shafts, tunnels or drifts. Codes 1165 and 1164—Mining NOC—Underground shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

GROSS-REF.

State Special: North Garolina Feldspar Mining Surface & Drivers.

SCOPE

Code 1165 <u>applies to employees performing is applied to all employees engaged in surface mining of all types of ore including certain minerals, e.g., phosphate rock, graphite, mica, talc, chalk, asphalt, asbestos, gypsum, etc. If necessary, the overburden is stripped off by use of draglines, power shovels, or self-propelled earthmoving equipment. The materials are then loaded onto dump trucks or belt conveyors for movement to railroad sidings and loading into ore cars for shipment to processing plants. The equipment generally involves the use of air compressors, mobile pneumatic drilling rigs, trucks, bulldozers, draglines, shovels, scrapers, pans, and conveyors.</u>

Code 1165 is a "not otherwise classified" (NOC) classification. This means that Code 1165 will shall apply to an employer's insured's operation(s) only when no other classification more specifically describes the employer's insured's operation(s). The following is a representative list of operations somewhat related in nature to Code 1165 operations that are not assigned to Code 1165.

- 1016 Coal Mining—NOC
- 1005 Coal Mining—Surface & Drivers
- 1642 1655 Lime Mfg.—Quarry—Surface
- 1164 Mining NOC—Not Coal—Underground & Drivers
- 1654 Quarry—Cement Rock—Surface & Drivers
- 1624 Quarry NOC & Drivers
- 4000 Sand or Gravel Digging & Drivers

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 Gode 1165 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

State Addendum

Massachusetts

Gode 1016—Coal Mining NOC (N/A MA)—refer to Code 1624 for risks engaged in the quarrying of cement rock—Quarry—Cement Rock (Code 1654 is N/A MA).

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

1624

PHRASEOLOGY

QUARRY NOC & DRIVERS.

Includes operation of crushers; construction, repair, or maintenance of all buildings, structures or equipment; installation of machinery.

CROSS-REF.

Roof Slate Mfg. or Slate Splitting & Drivers—includes quarrying; construction, repair, or maintenance of all buildings, structures or equipment; installation of machinery (N/A VT); Slag Digging and Crushing & Drivers.

State Special: California Excavation Rock No Tunneling:

California Quarries including all employees engaged in the construction, repair and maintenance of all buildings, structures or equipment and installation of machinery. Crushing operations shall be separately classified. This classification includes the hauling of material from the quarry to a stone crusher operated by the quarry:

Massachusetts Feldspar Mining & Drivers;

Massachusetts Lithographing Stone Mfg. & Drivers;

Massachusetts Oil or Hone Stone Mfg. includes quarrying;

Massachusetts—Quarry—Cement Rock—Surface & Drivers—includes construction, repair or maintenance of all buildings, structures or equipment, installation of machinery;

Massachusetts - Slate Milling & Drivers - involves quarrying or mining operations;

Massachusetts — Slate Splitting or Roofing Slate Mfg. & Drivers — includes quarrying, construction, repair or maintenance of all buildings, structures or equipment, installation of machinery;

Massachusetts Soapstone or Soapstone Products Mfg. & Drivers includes guarrying operations;

New York—Mining NOC—Not Coal—Surface—& Drivers—includes construction, repair or maintenance of all buildings, structures or equipment and the installation of machinery. Does not contemplate mining with shafts, tunnels or drifts. Code 1624 and Code 1170—Mining NOC—With Shafts, Tunnels or Drifts—& Drivers shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses;

New York—Quarry—Gement Rock or Limestone—Surface—& Drivers—includes: operations of crushers; construction, repair or maintenance of all buildings, structures or equipment; installation of machinery.

SCOPE

Code 1624, a "not otherwise classified" classification, <u>applies to employers that quarry is applicable to insureds engaged in quarrying</u> various materials including agricultural limestone, aplite rock, argillaceous limestone, ballast rock, cement rock, coral rock, feldspar, granite, hard rock shale, limestone, rock asphalt, slate, and silica rock. Code 1624 <u>includes contemplates</u> open pit-type quarrying or "surface mining" operations including stripping of surface material (overburden) covering the minerals or rocks to be quarried. Additionally, Code 1624 includes drilling and blasting operations when performed by an <u>employer insured</u> in connection with quarrying operations that are classified to this code. Code 1624 is not applicable does not apply to contractors, not otherwise engaged in performing quarrying operations, who drill or blast engage

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

in drilling or blasting operations at quarries. Refer to Codes 6204 and 6217 for classifications that may be applicable to these specialty operations.

Code 1624 does not include contemplate underground mining operations.

Code 1624 is not applicable does not apply to an employer who quarries insured who will quarry cement rock or limestone and uses at least 75% of the quarried output to manufacture cement or lime. Refer to Code 1654—Quarry—Cement Rock and Code 16551642—Quarry—Limestone—Surface for these exposures.

Code 1624 includes slag excavation and reclamation of iron from slag. It also applies where dimension stone is being quarried for building, paving, monumental, or other similar purposes.

Stone cutting at quarry sites is classified to Code 1624. Refer to Code 1803—Stone Cutting or Polishing for stone cutting and related operations such as grinding, sandblasting, or polishing away from the quarry site.

Certain Code 1624 operations are designated as "not otherwise classified" (NOC). These NOC operations will shall apply to an employer insured only when no other classification more specifically describes the employer's insured's operations. The following is a representative list of operations somewhat related in nature to Code 1624 operations that are not assigned to Code 1624.

- 1016 Coal Mining—NOC
- 1005 Coal Mining—Surface & Drivers
- 1642 1655 Lime Mfg.—Quarry—Surface
- 1165 Mining NOC—Not Coal—Surface & Drivers
- 1164 Mining NOC—Not Coal—Underground & Drivers
- 1654 Quarry—Cement Rock—Surface & Drivers
- 4000 Sand or Gravel Digging & Drivers

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 1624 or a classification other than a classification on the above list is applicable to the operations being reviewed for classification purposes.

State Addendum

Massachusetts

The quarrying of cement rock, regardless of the quarried output percentage used to manufacture cement, is assigned exclusively to Code 1624 (Code 1654 N/A MA).

All stone cutting, regardless of whether conducted at or away from quarry sites, is assigned to Gode 1624. Gode 1624 is also applicable to insureds engaged in cutting, grinding, sandblasting, polishing and engraving stone such as limestone, granite, marble, and slate and includes stone dealers engaged in polishing and engraving. Slate milling, grindstone and millstone manufacturing, lithographic stone manufacturing and marble or slate manufacturing are also assigned to Gode 1624. Gode 1016—Goal Mining—NOG N/A MA.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

1642 N/A—GA, MA, NY

PHRASEOLOGY

LIME MFG.

Excavation or digging, mining or quarrying to be separately rated. Includes surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624—Quarry NOC.

CROSS-REF.

Lime Mfg.—Quarry—Surface—includes construction, repair, or maintenance of all buildings, structures, or equipment; installation of machinery. Applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624. Quarry—Limestone—Surface—includes construction, repair, or maintenance of all buildings, structures, or equipment, installation of machinery; and is applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime mfg. If more than 25% of the quarry output is used for other than lime mfg., such operations will be classified under Code 1624.

SCOPE

Code 1642 is applied to insureds actually engaged in the manufacture of lime from limestone in that it contemplates the use of kilns in which the operation of limestone burning or calcination produces lime or quicklime. The lime drops off to receiving hoppers where it is drawn off, cooled and stored. This classification also contemplates the manufacture of hydraulic lime and hydrated lime. Hydraulic lime is produced from impure limestone and will harden under water. This type of lime is not manufactured or used to any great extent in this country. Hydrated lime is manufactured from quicklime. The granulated quicklime is agitated in a closed vessel with water. The product is a fine, white, airy powder about three times the bulk of the original quicklime.

Code 1642 includes surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime manufacture, such operations will be classified under 1624—Quarry NOC & Drivers.

The crushing of the limestone at the quarry site prior to processing at the plant is included within this classification. Code 1642 does not apply to the production of crushed stone to produce agricultural lime. Refer to Code 1624 for this exposure.

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1655

N/A-GA, NJ, NY

PHRASEOLOGY

LIME MFG.—QUARRY—SURFACE—& DRIVERS.

Includes construction, repair or maintenance of all buildings, structures or equipment, installation of machinery. Applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime mfg., such operations shall be classified under 1624—Quarry NOC.

GROSS-REF.

Quarry Limestone Surface & Drivers this cross reference has the same footnote as Lime Mfg. Quarry Surface & Drivers.

SCOPE

Gode 1655 contemplates surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime manufacture. If more than 25% of the quarry output is used for other than lime manufacture, such operations shall be classified under 1624—Quarry NOC.

The crushing of the limestone at the quarry site prior to processing at the plant is contemplated within this classification. Gode 1655 does not apply to the production of crushed stone to produce agricultural lime. Refer to Gode 1624 for this exposure.

State Addendum

Massachusetts

Gode 1655 also applies to the manufacture of lime from limestone in that it contemplates the use of kilns in which the operation of limestone burning or calcination produces lime or quicklime. Additionally, the manufacture of hydraulic lime and hydrated lime is contemplated under Gode 1655.

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1701

PHRASEOLOGY

CEMENT MFG.

Excavation or digging, dredging, mining, or quarrying to be separately rated (N/A OK).

CROSS-REF.

Flint or Spar Grinding—digging, mining or quarrying to be separately rated; Silica Grinding—digging, mining or quarrying to be separately rated; Mica Goods Mfg. & Mica Preparing—mining to be separately rated; Plaster Mill—quarrying to be separately rated.

State Special: California — Cement Mfg. — excavation or digging, dredging, mining or quarrying shall be separately classified. Hauling of finished product shall be separately classified as Code 8232—Building Material Dealers:

Massachusetts Plaster Mill quarrying to be separately rated as Gode 1624;

Massachusetts Magnesite Mfg.;

New York Lime Mfg. excavation or digging, mining or quarrying to be separately rated;

New York—Plaster Board or Plaster Block Mfg.—excavation or digging, dredging, mining or quarrying to be separately rated;

New York Plaster Mill excavation or digging, dredging, mining or quarrying to be separately rated;

New York—Plaster or Staff Mixing—excavation or digging, dredging, mining or quarrying to be separately rated:

New York—Rock Wool Mfg.—excavation or digging, dredging, mining or quarrying to be separately rated.

SCOPE

Code 1701 is applied to insureds engaged in the employers that manufacture of cement. The raw materials (limestone, marl, alumina, lime, iron oxide, and magnesia) are received, crushed, blended, and sized in rock crushing, rough milling, and screening equipment. The material is ground by either a wet or dry process but largely in ball or tube mills followed by blending in proportioning equipment. Very large, continuous rotary kilns are generally used. The final process is finish-grinding prior to storing in silos or sacking in paper bags.

This classification is also applied also applies to insureds engaged in the employers that manufacture of plaster. Limestone received from outside sources is repeatedly crushed. Water and moisture are removed by calcinating in high heat by either the batch process in kettles or by continuous roll on conveyors. When dried, the milled limestone is again ground and mixed with gypsum, sand, expanded perlite, retarders, stabilizers, and wood fibers, depending upon the type of plaster being manufactured. The final product is packaged in heavy bags.

Code 1701 also applies to employers that grind silica or minerals which contain a substantial proportion of pure silica such as quartz, sand, sandstone, chalcedony, flint, tripoli, and diatomaceous earth. The raw material is received at the grinding mill for final sizing. This classification includes secondary crushing and grinding to a fine powder in machinery that today is generally fully enclosed to control the fine dust. Code 1701 also covers mica grinding, slate grinding, and roofing granules manufacturing.

In addition, Code 1701 applies to the manufacture of pressed mica products or sheet mica. Book mica or mica that has been partially split is received and split to a desired thickness using hand knives or knives mounted

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on tables. The split mica is then sent to punch presses that stamp out the various products usually utilized by the electrical trades. Mica which is too small to be processed on punch presses may be placed in burling machines, mixed with a liquid solution, and then pressed into sheets. The removal of imperfections or the application of mica to the sheets to obtain the required thickness is usually done by hand. These sheets are then dried, baked in ovens, and run through sanders prior to crating and shipping.

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1741 N/A—MN

PHRASEOLOGY

FLINT OR SPAR GRINDING & DRIVERS.

Digging, mining or quarrying to be separately rated.

CROSS-REF.

Silica Grinding & Drivers - digging, mining or quarrying to be separately rated.

State Special: Galifornia Plaster Mills sand, gravel, or clay digging, mining, or quarrying shall be separately classified;

Galifornia—Silica Grinding—this classification contemplates the crushing or grinding of excavated or quarried materials to produce products that will pass through an 8 mesh screen. If the crushed or ground material is retained on an 8 mesh screen, the crushing or grinding operations shall be assigned to Gode 1710—Stone Crushing. Sand or gravel, or clay digging, mining or quarrying shall be separately classified;

Galifornia Tale Mills sand or gravel, or clay digging, mining or quarrying shall be separately classified;

Massachusetts—Mica Grinding;

Massachusetts-Slate Grinding;

New York—Flint or Spar Grinding & Drivers—digging, mining or quarrying to be separately rated. Risks engaged in grinding materials which do not contain more than 5% free silica shall be classified as Code 1747—Emery Works & Drivers.

New York—Silica Grinding & Drivers—digging, mining or quarrying to be separately rated. Risks engaged in grinding materials which do not contain more than 5% free silica shall be classified as Gode 1747—Emery Works & Drivers.

SCOPE

Gode 1741 is applied to insureds engaged in the grinding of silica or minerals which contain a substantial proportion of pure silica such as quartz, sand, sandstone, chalcedony, flint, tripoli and diatomaceous earth. The raw material is received at the grinding mill for final sizing. The classification contemplates secondary crushing and grinding to a fine powder in machinery that today is generally fully enclosed to control the fine dust. Gode 1741 also covers mica grinding, slate grinding and roofing granules manufacturing.

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1853 N/A—GA

PHRASEOLOGY

MICA GOODS MFG. & MICA PREPARING.

Mining to be separately rated.

CROSS-REF.

State Special: Massachusetts Mica Splitting;

New Jersey Mica Goods Mfg. mining to be separately rated.

SCOPE

Gode 1853 is applied to the manufacture of pressed mica products or sheet mica. Book mica or mica which has been partially split is received and split to a desired thickness using hand knives or knives mounted on tables. The split mica is then sent to punch presses which stamp out the various products usually utilized by the electrical trades. Mica which is too small to be processed on punch presses may be placed in burling machines, mixed with a liquid solution and then pressed into sheets. The removal of imperfections or the application of mica to the sheets to obtain the required thickness is usually done by hand. These sheets are then dried, baked in ovens and run through sanders prior to crating and shipping.

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1860

N/A-GA, NJ

PHRASEOLOGY

ABRASIVE PAPER OR CLOTH PREPARATION.

Paper or cloth mfg. to be separately rated.

GROSS-REF.

State Special: Massachusetts Emery Cloth Mfg.;

Massachusetts—Sand Paper Mfg.

SCOPE

Gode 1860 is applied to the manufacture of abrasive paper or cloth commonly known as sandpaper or emery cloth in the form of belts, sheets, rolls or special shapes. The "Making Machine" is usually a grouping of three units, i.e., a printer, an adhesive coater and an abrasive grain dispenser. This equipment may be manually operated, semiautomatic or fully automatic. Backing, received from outside sources (cloth, paper and combination of these laminated together) is started through the printer which imprints the backside with the trademark, grade number and other identifications. The backing then receives an application of an adhesive bond varying in concentration and quantity according to particle size of the mineral to be bonded. The abrasive grains are applied either by a mechanical or an electrostatic method. Other basic materials, received from outside sources, are abrasive grains, resins, varnishes, glues and commercial minerals such as flint, emery, crocus, garnet, aluminum oxide and silicon carbide.

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2501

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

PHRASEOLOGY

CLOTHING MANUFACTURING

Description:

Code 2501 is applied to employers that 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 <u>employers that</u> 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 <u>employer</u> manufactures tops and seat covers or <u>engages in performs</u> upholstering operations along with the manufacture of tops and/or seat covers, **Basic Manual** rules applicable to <u>regarding</u> the assignment of more than one classification to an employer will apply.

Related Operations Not Classified to Code 2501:

Certain Code 2501 operations are designated as "not otherwise classified" (NOC). These NOC operations apply to an <u>employer</u> only when no other classification more specifically describes the <u>employer's</u> 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 eCarpet or +Rug mMfg. NOC

2503 dDressmaking or tTailoring—eCustom eExclusively

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2361 hHosiery mMfg.

2362 kKnit gGoods mMfg. NOC

CROSS-REF.

AWNING OR TENT MFG.—SHOP

The installation, removal, or repair of awnings, tents or other canvas products away from the shop must be classified to Code 5102. Unless payroll records are accurately maintained showing the amount of payroll expended for shop work, the entire payroll must be assigned to 5102.

CROSS-REF.

BAG OR SACK MFG.—CLOTH

Applies to the manufacture of cotton, burlap or gunny bags or sacks.

CROSS-REF.

BAG RENOVATING

Applies to the renovating or repairing of cotton, burlap or gunny bags or sacks and includes sewing.

CROSS-REF.

CLOTH PRINTING—SILK SCREEN PROCESS—HAND PRINTING

Note: Includes drving.

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 <u>must</u> not be assigned to <u>an employer that</u> performs operations described by another classification.

Code 2413 applies to the silk screening of rolls of cloth when an employer processes crude cloth into finished cloth and, as part of this process silk screens the cloth by machine. In the event an employer processes cloth 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.

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Note: Includes dressing of dolls.

CROSS-REF.

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

CROSS-REF.

FEATHER OR FLOWER MFG.—ARTIFICIAL

Description:

Code 2501 is assigned to employers that manufacture artificial flowers or feathers. Crepe paper, covered paper stakes, glue, wire, silk, and synthetic yard goods are received from outside sources. Paper or fabric is cut, hand rolled, and assembled with wire to form the product. The operations generally involve a great amount of hand assembling. Employers that produce aluminum Christmas trees made from received strip aluminum are assigned to this classification.

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.

CROSS-REF.

FURNISHING GOODS MFG. NOC

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

Description:

Code 2501 is also applied to <u>employers that</u> manufacture 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.

HAIR GOODS MFG.

Note: Applies to products made from human hair.

Description:

Code 2501 applies to the manufacture of hair goods made from human hair involving spinning and weaving operations.

CROSS-REF.

HAT MFG.

Description:

Code 2501 is also applied to three types of hat <u>manufacturers</u>. The first type of <u>manufacturer produces</u> men's straw hats made from braided straw stripping and Panama hat bodies received from others along with ribbons

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and sweatbands. The stripping is roughly sewn into crowns and brims and stitched together. The Panama hat bodies do not require sewing <u>because</u> 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 that is rolled, shrunk, dyed, shellacked, stiffened, stretched, blocked and dried.

Code 2501 is assigned to employers that 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. Then the necessary trimming is sewn on the hats, usually by hand. This classification is also applied to employers that turn 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.

CROSS-REF.

MILLINERY MFG.

Note: Applies to ladies' trimmed hats.

CROSS-REF.

SAIL MAKING

Applies to shop operations.

CROSS-REF.

SHIRT MFG.

CROSS-REF.

SIGN MANUFACTURING—SILK SCREEN PRINTING—CLOTH

EXHIBIT 8 (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

Note: Codes 2501, 3064 and 4299 <u>must</u> not be assigned to the same <u>employer</u> 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.

SUSPENDER MFG.

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

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 included in Code 2501.

CROSS-REF.

UMBRELLA MFG.

Note: Mfg. of frames, handles, or hardware to be separately rated.

Description:

Code 2501 is assigned to employers that manufacture umbrellas. Frames, handles, or other hardware and silk or synthetic fabrics are received from others. The operations involve cutting, sewing, and assembling.

CROSS-REF.

WINDOW-SHADE MFG.

Note: Roller manufacturing to be separately rated.

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2534 N/A—GA

PHRASEOLOGY

FEATHER OR FLOWER MFG.—ARTIFICIAL

GROSS-REF.

Hair Goods Mfg. applies to products made from human hair.

State Special: Massachusetts Fur Pointing.

SCOPE

Code 2534 is assigned to insureds engaged in the manufacture of artificial flowers or feathers. Crepe paper, covered paper stakes, glue, wire, silk and synthetic yard goods are received from outside sources. Paper or fabric is cut, hand rolled and assembled with wire to form the product. The operations generally involve a great amount of hand assembling. Insureds engaged in the production of aluminum Christmas trees made from received strip aluminum have been assigned to this classification. Gode 2534 also applies to the manufacture of hair goods made from human hair involving spinning and weaving operations.

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2651

N/A-GA, NJ, NY

PHRASEOLOGY

SHOE STOCK MFG.

Includes counter, heel, or sole cutting.

CROSS-REF.

Shoe Findings Mfg.—applies to the manufacturing of tongues, linings, or facings.

State Special: Massachusetts - Welting Mfg. Leather, Latex, Burlap, Paper, Twine, etc.

SCOPE

Code 2651 <u>applies to contemplates those risks engaged in the manufacture of parts used by others to manufacture complete shoes.</u> Refer to Code 2660 for <u>employers that manufacture shoesrisks engaged in shoe manufacturing.</u> Refer to Code <u>4279</u> 4282 for <u>employers that manufacture shoe patternsthose risks engaged in shoe pattern manufacturing.</u>

Raw materials such as sheet leather, leather board, leather fiber, rough wood heels, cement, shellac, and thread are received from others. The operations involve skiving, cutting to size, folding, rolling, gluing, and sewing by machine. Leather and heavy cotton cloth are cut to size and shape, usually by hand dies. Clicking and skiving machines are used to produce the finished products, which are packed and shipped to shoe manufacturers.

The products contemplated by shoe stock manufacturers <u>Products</u> include leather welting, fiber and leather heels, leather soles and innersoles, heel lifts, shoe counters, box toes, and rands.

Both nonmetallic gasket and nonmetallic washer manufacturing are <u>included in contemplated by Code</u> 2651. Gaskets of this nature are generally made from materials such as cork, paper, rubber, plastic, foam, or felt materials.

<u>Employers performing Insureds engaged in operations described in this scope may fabricate dies for use in their own manufacturing operations.</u> The manufacture of these dies is included under Code 2651.

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2660

PHRASEOLOGY

BOOT OR SHOE MFG. NOC

GROSS-REF.

State Special: California Boot or Shoe Mfg. or Repairing;

Massachusetts Slipper Mfg.

SCOPE

Code 2660 <u>applies is applicable</u> to the manufacturing of men's, women's, children's, or infants' shoes or slippers using <u>such</u> raw materials <u>such</u> as; leather, imitation leather, fabric, rubber heels and soles, padding, eyelets, buckles, cement, nails, etc. Shoes are usually assembled from parts prepared to pattern with material cut by hand or machine. Operations will usually involve sewing, gluing, and nailing with finishing, trimming, waxing, buffing, brushing, and cleaning.

Code 2660 is a "not otherwise classified" (NOC) classification. This means that Code 2660 <u>applies to employer's shall apply to an insured's</u> operation(s) only when no other classification more specifically describes the <u>employer's insured's</u> operation(s). The following is a representative list of classifications somewhat related in nature to Code 2660 operations that are not assigned to Code 2660.

- 3111 Blacksmith (Horse Shoe Mfg.)
- 4410 Boot or Shoe Mfg.—Rubber
- 4279 4282 Boot or Shoe Pattern Mfg.
- 2790 Last or Shoe Form Mfg.
- 8017 Shoe Repair Store
- 8017 Shoe Shining Establishment
- 2651 Shoe Stock Mfg.
- 3126 Tool Mfg.—Agricultural, Construction, Logging, Mining, Oil or Artesian Well (Steel Shee 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 Gode 2660 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

State Addendum

Massachusetts

Refer to Code 4417 for risks engaged in the manufacture of rubber boots or shoes.

Refer to Godes 4452 (fabricated) or 4484 (molded) for risks engaged in the manufacture of shoe forms or lasts.

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2790

PHRASEOLOGY

PATTERN MAKING NOC.

Manufacturing of metal jigs, fixtures, or dies to be separately rated. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 2790 are conducted as a separate and distinct business.

CROSS-REF.

Last or Shoe Form Mfg.(N/A MA); Wood: Carving—By Hand or Machine.

State Special: California Pattern or Model Mfg. Metal, Plastic or Wood;

Massachusetts - Airplane Propeller Mfg. - Wood;

New Jersey Last Mfg.;

New Jersey Pattern Making NOG NPD—not applicable to the mfg. of metal jigs, fixtures or dies;

New Jersey—Shoe Form Mfg.;

New York—Pattern Making NOC—mfg. of metal jigs, fixtures, or dies to be separately rated. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Gode 2790 are conducted as a separate and distinct business:

New York Pipe Mfg. Wooden, Tobacco.

SCOPE

Code 2790 <u>applies to employers performing is applicable to risks engaged in pattern making operations that are is not otherwise classified in the **Basic Manual**. Code 2790 is restricted to those <u>employers performing risks engaged in pattern making as a separate and distinct business. It is not applicable does not apply to employers performing pattern manufacturing operations risks engaged in pattern manufacturing when the pattern is used by the same employer risk to manufacture a product.</u></u>

This classification <u>includes</u> <u>contemplates</u> the manufacture of patterns, from either wood or metal. The manufacture of wood patterns involves cutting and machining wood with handsaws, jointers, lathes, and other woodworking machines. Parts are assembled, glued, sanded, and varnished. There is considerable hand finishing. The preparation of metal patterns involves the manufacture of a wood model which is then used to make a mold from which the metal patterns are cast. Once cast, the patterns are cleaned on emery wheels, machined with precision tools, and finished to exact specifications.

Wood carving by hand or machine, such as carving furniture parts, is classified to Code 2790. Risks engaged in Employers that perform the fabrication of high grade model ships, railroads, and aircraft are assigned to this classification. The use of the restrictive phrase "high grade" is based on the analogy to wood carving which contemplates includes work of an intricate nature. Refer to Code 4902 for employers that fabricate risks engaged in the fabrication of simple, easy to assemble model airplane, glider, or boat kits.

The building of architectural scale models for real estate scale presentations is also classified to Code 2790. Code 2790 is additionally applicable also applies to the manufacture of sand core strainers, shoe forms or lasts (a block or form shaped like a human foot), wood airplane propellers, and photographic model displays. Certain Code 2790 operations are designated as "not otherwise classified" (NOC). These NOC operations will apply to an employer shall apply to an insured only when no other classification more specifically describes

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the <u>employer's insured's</u> operations. The following is a representative list of operations somewhat related in nature to Code 2790 operations that are not assigned to Code 2790.

- 4279 4282 Dress Pattern Mfg.
- 4352 Engraving
- 2883 Furniture Mfg. Manufacturing and Cabinet Shop—Wood—NOC
- 2731 Planing or Molding Mill
- 2841 Woodenware Mfg. Manufacturing NOC

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 Gode 2790 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 Gode 2841 for risks engaged in the fabrication of simple, easy to assemble wood model airplane, glider or boat kits. Gode 2790 is additionally assigned, by analogy, to the manufacture of wood shoe forms or lasts. Refer to Godes 4452 and 4484 for shoe forms or lasts manufactured out of plastics.

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3169

PHRASEOLOGY

STOVE MFG.

CROSS-REF.

Radiator or Heater Mfg.—applies to cast-iron radiators or heaters.

SCOPE

Code 3169 covers the manufacture of gas and electric ranges and hot water heaters, heating stoves, stoves that burn coal, oil or wood, kilns, bake ovens, curing ovens and oil or gas fired furnaces. The aforementioned products may be made from cast iron, sheet metal or a combination of cast iron and sheet metal and may or may not contain fire brick insulation.

This classification contemplates <u>includes</u> a wide variety of processes to manufacture the finished product that may include but are not limited to cutting and shaping of sheet metal, welding, piping work, shearing, blanking, molding, painting and any other work necessary to complete the final product. The classification is all-inclusive regardless of the raw materials entering into the manufactured product or the type and kind of oven or stove turned out.

Code 3076—Sheet Metal Work—Shop would be applicable applies to the manufacture of "old-type" warm air ovens, which are strictly sheet metal products that contain no mechanical equipment.

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3175

N/A-NJ, NY

PHRASEOLOGY

RADIATOR OR HEATER MFG.

Applies to cast-iron radiators or heaters.

GROSS-REF.

State Special: Galifornia Furnace, Heater or Radiator Mfg. foundry operations shall be separately classified.

SCOPE

Code 3175 is applied to insureds engaged in the manufacture of cast iron radiators of the steam and hot water variety and cast iron boilers for heating purposes. This classification includes the operation of a foundry involving pattern making, core and mold making, the melting of pig iron in furnaces and the pouring of the molten iron into molds to produce the cast iron radiator and boiler parts. While these products require very few finishing operations, they may be machined to remove burrs prior to being assembled, sprayed and inspected.

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3180

N/A-NJ, NY

PHRASEOLOGY

ELECTRIC OR GAS LIGHTING FIXTURES MFG.

Codes 3180 and 3643—Electric Power or Transmission Equipment Mfg. or 3179—Electrical Apparatus Mfg. NOC shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

CROSS-REF.

Lamp or Portable Lantern Mg.—must not be assigned to an employer performing operations described by another classification unless the operations subject to Code 3180 are conducted as a separate and distinct business.

State Special: Galifornia Fixtures or Lamp Mfg. or Assembly Metal Electric or Gas;

SCOPE

Code 3180 <u>applies to employers is applied to insureds</u> that manufacture or repair electric or gas lighting fixtures. It <u>also applies to employers is also applied to insureds</u> that purchase the component parts from others and only assemble the fixtures. The classification <u>applies is applicable</u> to the manufacture or assembly of floor and table lamps, wall light brackets, fluorescent ceiling lamps, chandeliers, or similar fixtures that involve metal processing operations. Such operations include punch pressing, metal forming, machine tooling, finishing, and assembling.

Code 3223 also applies to employers that manufacture lanterns and gasoline lamps or lanterns of the Coleman type, which involve primarily metal working and assembling operations.

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3223

N/A-NJ, NY

PHRASEOLOGY

LAMP OR PORTABLE LANTERN MFG.

Shall not be assigned to a risk engaged in the operations described by another classification unless the operations subject to Gode 3223 are conducted as a separate and distinct business.

SCOPE

Gode 3223 is applied to insureds that manufacture lanterns and gasoline lamps or lanterns of the Goleman type, which involve primarily metal working and assembling operations.

State Addendum

Massachusetts

Gode 3223 is also applied to insureds engaged in the manufacture or repair of metal ecclesiastical goods such as chalices, eiboriums, host boxes, pyxis, sanctuary vases, baptismal bowls, crosses, etc. The complete manufacturing process depends on the actual ecclesiastical item being produced, and involves spinning and annealing of brass blanks, soldering and affixing of metal studs onto castings, polishing and buffing, as well-as plating with gold and silver, and setting precious and/or semi-precious stones.

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3224

N/A-MA, NJ, NY

PHRASEOLOGY

ENAMEL WARE MFG.

CROSS-REF.

Agate Ware Mfg.

SCOPE

Code 3224 <u>applies is applicable</u> to the manufacture of enamel ware products such as pots, bathtubs, vases, utensils, and other goods made of enameled or porcelainized sheet metal or steel. Code 3224 <u>includes</u> <u>contemplates</u> sheet metal forming and stamping operations, pickling (to treat, preserve, clean, or give a light finish to) operations, enameling, or porcelainizing operations including preparation of the enamel, and the baking of the products. The classification <u>also applies to employers that perform is also applicable to insureds engaged in the</u> enameling or porcelainizing of metal products that were manufactured by others.

Agate is a semilucid, uncrystallized variety of quartz, presenting various tints in the same specimen. Its colors are delicately arranged in stripes or bands, or blended in clouds. The term "agate ware" refers to products that are enameled and otherwise processed so that their surface resembles agate. Code 3224 <u>includes</u> contemplates the manufacture of metal agate ware products.

Refer to Codes 4061 and 4062, that includes which both contemplate the manufacture of pottery (clay) porcelain ware by different methods. By analogy, the The manufacture of clay agate ware is also assigned to Code 4062. these codes.

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4021 N/A—NJ. NY

PHRASEOLOGY

BRICK OR CLAY PRODUCTS MFG. NOC & DRIVERS.

Includes: construction or reconstruction of sheds or kilns; clay, shale, or sand digging; the manufacturing of common, face, pressed, or repressed building or paving bricks; sand-lime bricks; structural, fireproofing, drainage, and roofing tiles; wall copings; glazed or unglazed sewer or drain pipes or conduits; or similar products. Underground mining or quarrying to be separately rated.

CROSS-REF.

The following cross-reference has the same footnote as Brick or Clay Products Mfg. NOC & Drivers: Earthenware or Tile Mfg. NOC & Drivers.

State Special: Massachusetts Alcohol Mfg. Wood & Drivers;

Massachusetts - Asphalt Paving Bricks Mfg. & Drivers;

Massachusetts Charcoal Mfg. & Drivers includes distillation;

Massachusetts - Coal Billet or Briquette Mfg. & Drivers - mfg. Of by products to be separately rated;

Massachusetts - Creosote Mfg. & Drivers - applies to the mfg. Of creosote from wood tar;

Massachusetts — Distillation — Wood & Drivers — includes distillation of alcohol or mfg. Of creosote or acetates.

SCOPE

Code 4021 <u>applies to employers that is applied to insureds engaged in the</u> manufacture of brick or clay products including earthenware or tiles <u>that</u> <u>which</u> are of a structural nature. The structural clay products are best described in this classification's phraseology and its accompanying footnote. <u>Code 4021 includes employers that Insureds contemplated within the scope of Gode 4021 may perform clay, shale, or sand digging operations, <u>that which</u> may involve a minor amount of blasting to loosen the clay. This classification further <u>includes contemplates</u> the grinding and mixing of the proportioned raw materials in a mixing machine. The partly fluid substance is mechanically poured into standard or specially shaped molds depending upon the product being produced. All products are dried by natural warm air or steam heat. After removal from the molds, the products are baked in temporary or permanent kilns. If glazing is desired, salt is added to the kiln. The salt vaporizes and coats the products. Also, to produce a greater degree of concentration, pressing or repressing operations may be performed, usually with hydraulic presses, subsequent to the actual formation of the products.</u>

Code 4021 is a "not otherwise classified" (NOC) classification. This means that Code 4021 <u>will shall apply</u> to an <u>employer's insured's</u> operation(s) only when no other classification more specifically describes the <u>employer's insured's</u> operation(s). The following is a representative list of operations somewhat related in nature to Code 4021 operations that are not assigned to Code 4021.

4034 Concrete Products Mfg. & Drivers

4062 4053 Pottery Mfg.—China or Tableware

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4062 Pottery Mfg.—Porcelain Ware—Mechanical Press Forming

4024 Refractory Products Mfg. & Drivers

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 Gode 4021 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

State Addendum

Massachusetts

Gode 4021 is also applied to wood distillation plants utilizing steam or destructive distillation processes. The manufacture of crossote, and coal billets or briquettes is also covered under Gode 4021.

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4053

PHRASEQLOGY

POTTERY MEG.: CHINA OR TABLEWARE.

Mining, quarrying or clay digging to be separately rated.

GROSS-REF.

Terra-Cotta Mfg.—applies to decorative or architectural terra-cotta. Mining, quarrying or clay digging to be separately rated (N/A MA, WI).

State Special: Oregon—China, Tableware and Decorative—includes manufacture by slip molding process. No manufacture of sinks, bathtubs, nor commodes. Mining, quarrying or clay digging to be separately rated.

SCOPE

Gode 4053 is applied to insureds engaged in the manufacture of china or tableware pottery such as cups, saucers, plates, soup and serving dishes, cream pitchers and sugar bowls which may be decorated, unglazed or glazed. The classification contemplates mold making, usually from plaster of paris, which is received from others along with clay, sand, decals, paints, glazing compounds and cartons with dividers for packaging. Sand, clay and water are mixed in automatic mixing machines and extruded, forming a column of clay in the desired consistency. The clay is fed to potter's wheels or automatic molding machines. At the potter's wheels, craftsmen form the products by hand. The formed greenware is stored on racks for drying in high heat kilns. Decal work or hand painting is done prior to glazing and the products are again sent through the kilns. The finished items are inspected for defects and then packaged for shipment.

Code 4053 also is applied to insureds engaged in the manufacture of architectural terra cotta that is used for decorative purposes. Clay, sawdust, straw, coal dust and sand are received from others. The clay is mixed with any one of the other raw materials depending upon the type of terra cotta tiles desired. This is mixed with water and ground to various finenesses and screened. Some grinders are the wet pan type, while others are the dry grinding type.

After the clay has been properly mixed and compressed in the pug mill or tempering machine, it is molded into the tile size and shape desired, usually in automated equipment. The tiles are stacked on cars, which are conveyed through ovens for drying. The product is then inspected and packaged for shipment.

Etching or "sand carving" is additionally encompassed by Gode 4053. The insured engaged in these operations usually purchases stoneware, ceramic, and glassware blanks from others. The etching or "sand carving" involves placing a plastic film character on the piece to be etched and washing it in a mixture of water and soap, which leaves an outline of the film on the piece. The piece is then sandblasted with aluminum exide to etch in the design. The finished piece is cleaned, inspected, and packed for shipment.

Refer to Code 4036 for the manufacture of cultured marble products such as bathroom vanity tops, shower pans and bathtubs.

State Addendum

Massachusetts

Refer to Code 4054 for insureds engaged in the manufacture of architectural terra-cotta that is used for decorative purposes. Refer to Code 4484 for the manufacture of cultured marble products such as bathroom vanity tops, shower pans and bathtubs. Refer to Code 4113 for insureds engaged in etching or "sand carving" of stoneware, ceramic, and glassware purchased or received from others.

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4061

PHRASEQLOGY

POTTERY MFG.: EARTHENWARE—GLAZED OR PORGELAIN—HAND MOLDED OR GAST.

Godes 4061 and 4062—Pottery Mfg.—Porcelain Ware Press Forming shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Mining, quarrying or clay digging to be separately rated.

CROSS-REF.

State Special: Massachusetts - Clay Flower Pot Mfg.;

New Jersey—Pottery Mfg.—Earthenware—Glazed or Porcelain Hand Molded—or Gast—NPD with Code 4062—Pottery Mfg.—Porcelain Ware—press forming. Mining, quarrying or clay digging to be separately rated;

New Mexico—add to above footnote: Includes manufacture of sinks, bathtubs and commodes. No manufacture of sinks, bathtubs and commodes—assign State Special Code 4063;

Oregon—add to national phraseology: Includes manufacture of sinks, bathtubs and commodes. Decorative pottery manufacture to be assigned to Gode 4053.

SCOPE

Gode 4061 is applied to insureds engaged in the manufacture of glazed or porcelain earthenware pottery by a hand molded or casting process. Some of the products contemplated within the scope of this classification are porcelain bathtubs, sinks and commodes, as well as household utensils such as earthenware pots and cruets, bean pots, cookie jars, flower pots, urns and vases.

Code 4061 contemplates mold making, usually from plaster of paris, which is received from others along with clay, sand, fluxing agents, paints and glazing compounds. Material preparation in the "Slip House" consists of unloading, weighing and mixing to form the "Slip," which is screened and kneaded automatically. The clay is poured into plaster molds in automatic molding machines or placed on potter's wheels and molded by hand. When dried, the formed greenware is sanded and fired to form bisqueware, which is cleaned and then dipped or sprayed with glaze. A second firing completes the glazing. Prior to glazing, some products may be decorated by painting. Some products are crated while others are packaged for shipment.

Refer to Code 4036 for the manufacture of cultured marble products such as bathroom vanity tops, shower pans and bathtubs.

State Addendum

Massachusetts

Refer to Code 4484 for the manufacture of cultured marble products such as bathroom vanity tops, shower pans and bathtubs.

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4062

PHRASEOLOGY

POTTERY MFG .: __PORCELAIN WARE—MECHANICAL PRESS FORMING-

Mining, quarrying or clay digging to be separately rated.

CROSS-REF.

Pottery Mfg.—China or Tableware—mining, quarrying, or clay digging to be separately rated; Pottery Mfg.—Earthenware—Glazed or Porcelain—Hand Molded or Cast—mining, quarrying, or clay digging to be separately rated; Terra-Cotta Mfg.—applies to decorative or architectural terra-cotta. Mining, quarrying, or clay digging to be separately rated.

SCOPE

Code 4062 is applied to insureds engaged in applies to the manufacture of porcelain ware pottery by a mechanical press forming process. Using such a process enables a particular insured an employer to produce one product in large quantities. Some of the products contemplated within included in the scope of this classification are electrical porcelain ware such as insulators, spark plugs, ceramic cores, ceramic wire spools, thread guides and pulleys. Other products are ceramic floor, ceiling, wall and fireplace tiles that are decorative rather than structural in nature. Kaolin and china clay, steatite, talc, flint, feldspar, calcium carbonate, bauxite, silica sand, aluminum oxide, chrome oxide, pentuntse, potash or sometimes soda are received from others. The ingredients are mixed in a typical batch mixer with water and dumped into a hammer mill. The stock is poured into a feed hopper and fed into various types of clay-forming machines that press the stock mechanically, either by hand or power. The formed stock is placed on trays and carts that pass through fired kilns under great heat, which produces the desired glassy porcelain product. Some formed stock prior to passing through the kilns may be hand- or machine-brushed to remove fins. The products are inspected, sorted and placed into cartons for shipment.

Refer to Code 4036 for the manufacture of cultured marble products such as bathroom vanity tops, shower pans and bathtubs.

State Addendum

Massachusetts

Refer to Code 4484 for the manufacture of cultured marble products such as bathroom vanity tops, shower pans and bathtubs.

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4111

N/A-MA, MN

PHRASEOLOGY

GLASSWARE MFG.—NO AUTOMATIC BLOWING MACHINES.

Digging or quarrying to be separately rated.

CROSS-REF.

Glass Mfg.—Cut.

SCOPE

Code 4111 is applied to insureds engaged in applies to the manufacture of glassware by either a mouth-blowing process or by a semiautomatic blowing process. In some plants both processes are conducted side by side. Crushed glass, lime, silica sand, phosphate, antimony oxide, arsenic trioxide, silica, silica fluorides, borax and soda ash are received from others. The raw materials of predetermined mixture are dumped into mixing tumblers and poured into hopper cars. The batch is fed into a furnace and the molten glass is either formed by the mouth blowing process or hand filled into molds in the shape of the product and then transferred to semiautomatic blowing machines. The products are slow cooled to harden. The application of coloring agents and further tempering are additional operations which may be performed. The products, following inspection, are packaged for shipment. Some of the products that have been classified under Code 4111 are glass tableware such as cups, saucers, plates, glasses; pyroglass bake ware; perfume bottles; candlestick holders; kerosene lamp chimneys; auto headlight lenses; glass radio insulators; and molded glass doorknobs, paperweights and ashtrays.

Refer to Code 4149 for the manufacture of optical goods and electronic chips from quartz.

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4113

N/A-GA, MN, NY

PHRASEOLOGY

GLASS MFG.—CUT

GROSS-REF.

State Special: Massachusetts—Glassware Mfg.—No Automatic Blowing Machines—digging or quarrying to be separately rated.

SCOPE

Gode 4113 is applied to insureds engaged in the manufacture of cut glass. The forming and finishing operations of cut glass manufacturers are performed by hand and require skilled workmanship. Silica sand, soda ash, lime, sodium nitrate, lead, niter metal oxides of copper, manganese, iron nickel, hydrochloric and hydrofluoric acid, abrasive oxides, paper and cardboard packing materials are received from others. The precise amounts of the required raw materials are dumped by hand into mixing tumblers and poured into hopper cars. The batch is fed into a furnace and a "Gatherer" inserts a hollow metal rod into the furnace and collects a blob of molten glass. He hands this to the "Blower," who proceeds to use breath action to form the article. A "Finisher" takes over and twists and further forms the piece using a hand tool. The product, as it slowly cools, hardens and the glass is then scored, and a sharp flame directed around the score lines cracks off the excess glass. The edges are ground and reheated. Certain runs of glassware, bowls, pitchers and art ware may be further cut and etched. Following inspection, the cut glass products are washed and dried and packaged for shipment.

State Addendum

Massachusetts

Gode 4113 also applies to insureds engaged in the manufacture of glassware by either a mouth blowing process or by a semiautomatic blowing process. The molten glass is either formed by the mouth blowing process or hand filled into moulds in the shape of the product and then transferred to semiautomatic blowing machines.

Etching or "sand carving" is additionally encompassed by Gode 4113. The insured engaged in these operations purchases or receives stoneware, ceramic and glassware blanks from others. The etching or "sand carving" involves placing a plastic film character on the piece to be etched and washing it in a mixture of water and soap, which leaves an outline of the film on the piece. The piece is then sandblasted with aluminum oxide to etch in the design. The finished piece is cleaned, inspected, and packed for shipment.

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4114

PHRASEOLOGY

GLASSWARE MFG. NOC.

Digging or quarrying to be separately rated.

SCOPE

Code 4114 <u>applies to is applied to insureds engaged in</u> the manufacture of glassware utilizing a mechanical process wherein blowing is done by compressed air on specialized forming machines. Crushed glass, lime, silica sand, phosphate, antimony oxide, arsenic trioxide, silica, silica fluorides, borax, and soda ash are received from others. The raw materials of predetermined mixture are charged into furnaces. When the mixture has been brought to the correct consistency, it is gathered by machine and moved to molds formed in the shape of the product to be made. The wares are then automatically blown by compressed air for mass production. From the molds, the product moves through tempering furnaces. The application of coloring agents and further tempering are additional operations that which may be performed. The products falling within the scope of this classification are milk bottles, soft drink bottles, fruit and jelly jars, and similar type glass containers with little or no ornamental value.

Code 4114 is a "not otherwise classified" (NOC) classification. This means that Code 4114 <u>applies to an employer's shall apply to an insured's</u> operation(s) only when no other classification more specifically describes the <u>employer's insured's</u> operation(s). The following is a representative list of operations somewhat related in nature to Code 4114 operations that are not assigned to Code 4114.

- 4133 Cathedral or Art Glass Window Mfg.
- 4130 Glass Merchant
- 4101 Glass Mfg. & Drivers
- 4111 4113 Glass Mfg.—Cut
- 4111 Glassware Mfg.—No Automatic Blowing Machines
- 4110 Electric Bulb Mfg.
- 4131 Mirror Mfg.
- 4149 Optical Goods Mfg. NOC
- 3064 Sign Mfg.Manufacturing—Neon
- 3685 Thermometer 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 Gode 4114 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

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4279

PHRASEOLOGY

PAPER GOODS MFG. NOC.

Paper manufacturing to be separately rated as 4239.

CROSS-REF.

Abrasive Paper or Cloth Preparation—paper or cloth mfg. to be separately rated; Boot or Shoe Pattern Mfg.—must not be assigned to an employer performing operations described by another classification unless the operations subject to Code 4279 are conducted as a separate and distinct business; Dress Pattern Mfg.—Paper—includes designers, drafting employees, and cutters. Magazine printing to be separately rated as Code 4299; Match Mfg.—lumbering operations to be separately rated as Code 2702—Logging or Lumbering (N/A IL); Music Roll Mfg.—Perforated Paper—paper mfg. to be separately rated as Code 4239; Wallpaper Mfg.—includes designing, printing or finishing. Paper manufacturing to be separately rated as Code 4239.(N/A IL, MA).

State Special: Massachusetts - Box or Case Lining Mfg. - From Waterproof Paper for Export Packing;

Massachusetts - Cardboard Mailing Tube Mfg.:

Massachusetts Display Mfg. Cardboard;

Massachusetts Lithograph Mounting and Finishing;

Massachusetts - Milk Bottle Cap Mfg. - Paper - Including Printing;

Massachusetts Paper Sheeting or Slitting and Winding;

Massachusetts Paper Twine Mfg.;

Minneseta—Boot Pattern Mfg.—shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 4279 are conducted as a separate and distinct business:

Minnesota — Dress Pattern Mfg. — includes designers, drafting employees, cutters. Magazine printing to be separately rated as Gode 4299—Printing;

Minneseta Music Roll Mfg. paper manufacturing to be separately rated as Gode 4239;

Minneseta Shoe Pattern Mfg. this cross reference has the same footnote as Boot Pattern Mfg.

SCOPE

Code 4279 is applied to insureds engaged in the employers that manufacture of a wide variety of paper products that are not otherwise classified. These products include, but are not limited to, paper towels, toilet tissue, paper plates, napkins, tissues, fruit wrapping paper, strip lace paper, doilies, etc.

Refer to Code 4273 for paper bag manufacturing. Refer to Code 4251 for stationery manufacturing.

Rolls of plain paper or paper of various types such as tissue or crepe are received from others. The rolls are put on rewinders and slitters, which rewind and slit the paper to desired sizes. Embossing and perforating operations may be performed. Handwork may involve gluing or pasting, labeling, inspecting, and packing. Printing or lithographing by a paper goods manufacturer on its own products is a general inclusion, which is contemplated by Gode 4279.

This classification <u>also applies to employers that is also applied to insureds engaged in the</u> manufacture of both paper book and stick matches. Paper, cardboard, pine blocks, paraffin, antimony sulfide, glue, red

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phosphorus, fine sand or ground glass, and printer's ink are received from others. Wood sticks are formed by forcing blocks through dies. Paper matches are punched out. The sticks are first coated with paraffin, then dipped in match composition and dried. Cardboard rolls are cut into narrow strips on a power slitter for paper match covers and printed on presses. Cardboard is cut and automatically formed and assembled into boxes for stick matches. The box or paper cover mix for striking is usually red phosphorus, fine sand or glass, and glue. The matches are then packed in boxes and cartons for shipment.

Code 4279 also <u>includes</u> contemplates box or case lining manufacturing from waterproof paper for export packing; cardboard mailing tube manufacturing; cop tube manufacturing; display manufacturing—cardboard; lithograph mounting and finishing; milk bottle cap manufacturing—paper—including printing; paper sheeting or slitting and winding; and paper twine manufacturing. Additionally, the manufacture of waxed paper and cardboard toys are assigned to this code.

Code 4279 is applied to employers that manufacture wallpaper insureds engaged in the manufacture of wallpaper. Paper, plastic, turpentine, benzine, varnish, glue, and various colored inks and oils are received from others. Paper, in rolls of standard widths, is run through a varnishing and printing process. Various patterns are designed and reproduced from engraved cylinders covered with the desired colored inks. A thin coating of benzine or turpentine-diluted varnish is then deposited on the paper, after which it is dried, cut in desired lengths, and rolled on machines, ready for shipment. Some wallpaper may be coated with a thin film of protective plastic, or the back side of some wallpaper may be coated with glue.

Code 4279 is applied to the manufacture of abrasive paper or cloth commonly known as sandpaper or emery cloth in the form of belts, sheets, rolls, or special shapes. The "Making Machine" is usually a grouping of three units, i.e., a printer, an adhesive coater, and an abrasive grain dispenser. This equipment may be manually operated, semiautomatic, or fully automatic. Backing, received from outside sources (cloth, paper, and combination of these laminated together) is started through the printer which imprints the backside with the trademark, grade number, and other identifications. The backing then receives an application of an adhesive bond varying in concentration and quantity according to particle size of the mineral to be bonded. The abrasive grains are applied either by a mechanical or an electrostatic method. Other basic materials, received from outside sources, are abrasive grains, resins, varnishes, glues, and commercial minerals such as flint, emery, crocus, garnet, aluminum oxide, and silicon carbide.

Certain Code 4279 operations are designated as "not otherwise classified" (NOC). These NOC operations <u>must shall apply</u> to an <u>insured employer</u> only when no other classification more specifically describes the <u>insured's employers</u> operations. The following is a representative list of operations somewhat related in nature to Code 4279 operations that are not assigned to Code 4279.

- 4273 Bag Mfg.—Plastic or Paper
- 4243 Box Mfg.—Folding Paper NOC
- 4273 Box Bag Mfg.—Paper or Plastic
- 4240 Box Mfg.—Set-Up Paper
- 4244 Corrugated or Fiberboard Container Mfg.
- 4282 Dress Pattern Mfg. Paper
- 4250 Paper Corrugating or Laminating
- 4251 Stationery Mfg.

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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 Gode 4279 or a classification other than a classification on the above list is applicable to the operations being reviewed for classification purposes.

State Addendum

Massachusetts

Refer to Code 4310 for insureds engaged in the manufacture of wallpaper. Code 4240 is not available (N/A MA).

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

4282

N/A-GA, MN

PHRASEOLOGY

DRESS PATTERN MFG.—PAPER.

Includes designers, drafting employees, cutters. Magazine printing to be separately rated as Gode 4299—Printing.

GROSS-REF.

Boot or Shoe Pattern Mfg.—shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 4282 are conducted as a separate and distinct business; Music Roll Mfg.—Perforated Paper—paper mfg. To be separately rated as Code 4239.

State Special: New Jersey Boot or Shoe Pattern Mfg. NPD;

New Jersey—Dress Pattern Mfg.—Paper—includes designers, draftsmen, cutters. Magazine printing to be separately rated as Gode 4299—Printing;

New Jersey Music Roll Mfg. paper mfg. To be separately rated as Code 4239;

New York—Dress Pattern Mfg.—Paper—includes designers, drafting employees and cutters. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Gode 4282 are conducted as a separate and distinct business. Gatalog printing to be separately rated as Gode 4299—Printing;

New York—Shoe or Boot Pattern Mfg.—includes designers, drafting employees and cutters. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Gode 4282 are conducted as a separate and distinct business. Gatalog printing to be separately rated as Gode 4299—Printing.

SCOPE

Gode 4282 is applied to insureds engaged in the manufacture of paper dress, coat, etc., patterns. Drafting paper, cardboard, tissue paper, printing ink and envelopes are received from others. The business of making patterns may be divided into two parts. First is the designing and drawing of various styles, cutting and transferring of parts for making cardboard masters to be used as models for making of the tissue patterns, cutting of tissue parts by machine or hand knife (sometimes 200 layers), the printing of designating letters and cutting lines on the pattern parts, printing of pattern instructions and envelopes, the assembly of each part by folding once, the final folding of a complete pattern into pattern envelope size and the inserting of the pattern and instructions into envelopes. These envelopes go to the mail order department, which is the second portion of the dress pattern business. Orders are received by telephone and individual letters, or stores send lists of addressees to whom patterns are to be sent. The orders are sorted, and sizes and types of patterns are taken from stock and inserted into mailing envelopes which have been addressed for shipment.

This classification also is applied to insureds engaged in the manufacture of shoe or boot patterns. Drafting paper, cardboard or fiberboard, sheet metal, copper or brass binding strips and ink are received from others. Draftsmen draw the basic patterns according to their customers' specifications. Sheet metal templates are cut to pattern on a special powered machine. The templates are then placed in a grading machine, which cuts the cardboard or fiberboard to a pattern, which is finished by hand cutting and filing. Thin strips of

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copper or brass are cut and crimped around the edges of the individual parts. The patterns are then marked for size and part, inspected, packed and shipped.

Gode 4282 also applies to insureds engaged in the manufacture of music rolls. Rolls of paper, cardboard cores, metal rings, metal or composition ends, labels, ink and boxes are received from others. Selections are played upon a piano where pencil marks on a roll of paper indicate the exact details of the composition. This roll or preliminary master is then perforated by hand in accordance with the marks and run through a player piano to find errors. When the master is perfect, it goes to automatic machinery, which cuts rolls on a production basis. Rings are inserted and directions for using the rolls are printed. Words of the song may also be printed on the roll. Each roll is then hand wound and hand boxed followed by machine labeling.

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4439

Established:	Re placed B y:
Date Unknown	Net Applicable
Discontinued:	Retained:
Not Applicable	Not Applicable
	NGCI Schedule and Group:
	Schedule 24, Group 243

PHRASEOLOGY

LACQUER OR VARNISH MANUFACTURING.

Note: Includes mixing of thinners or solvents but no nitrocellulose manufacturing. Assign risks that manufacture nitrocellulose, thinners, or solvents to the appropriate chemical classification, Gode 4828 or Gode 4829.

Description:

Gode 4439 applies to insureds that manufacture lacquers or spirit varnishes. Commercial nitrocellulose, usually wet with solvent (etheralcohol); natural resins, such as shellac, dammar, amber, copal; and synthetic resins such as ester gums, alkyd, and acrylate are received from others along with solvents or thinners such as alcohol, methanol, methyl isobutyl ketone, butyl acetate, toluene, and xylene. Spirit varnishes are solutions or dispersions of a resin or other film forming substance in a volatile solvent which, when applied, harden by the evaporation of the solvent. Spirit varnishes are termed by the trade as cold-cut varnishes since they must be manufactured at a temperature that is below the flash point of the solvents used. Lacquers are, in some respects, comparable to spirit varnishes with the exception that more inflammable materials are used, including nitrocellulose or pyroxylin. The mechanical work of manufacturing lacquers or spirit varnishes is, in general, a relatively simple process involving the placement of the required ingredients in a container or tank and agitating or stirring them until the resin is completely dispersed or cut. The resultant lacquer or spirit varnishes are then filled into drums or tank cars. Shipping regulations usually require red labels.

Gode 4439 also applies to insureds that manufacture oleo resinous varnishes. Drying oils such as linseed, tung, perilla, and soybean; natural resins such as pine tar, pitch, and Canada balsam; and synthetic resins such as estergums, glyceryl phthalate, and alkyd are received from others along with thinners such as spirits of turpentine and dryers such as manganese acetate or borate. Oleo resinous or oil varnishes are processed by cooking drying oils alone or in combination with natural or synthetic resins in kettles or cookers, which may be heated by open flame, electricity, or steam for a period of time depending on the type of varnish product. When cooled, thinners or dryers may be added to reduce the consistency of some mixtures. Oleo resinous varnishes, when applied, harden by absorption of oxygen from the air. The finished products are filled into cans or drums and labeled or stenciled for shipment.

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4558

PHRASEOLOGY

PAINT MFG.

Pigment or lead compound manufacturing to be separately rated.

CROSS-REF.

Color Grinding, Blending or Testing—applies to operations involving dry materials with no handling of flammable, poisonous, caustic, corrosive or oxidizing materials. Not applicable to the manufacturing of ingredients. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 4558 are conducted as a separate and distinct business; <u>Lacquer or Varnish Manufacturing</u>—includes mixing of thinners or solvents but no nitrocellulose manufacturing. Assign employers that manufacture nitrocellulose, thinners, or solvents to the appropriate chemical classification, Code 4828 or Code 4829; Whiting Mfg.—shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 4558 are conducted as a separate and distinct business.

State Special: California Paint, Varnish or Lacquer Mfg. the manufacture of lead compounds, nitro cellulose or solvents shall be separately classified;

Galifornia—Resin Mfg.—Synthetic—this classification does not apply to the manufacturing of polyethylene, polypropylene or polystyrene;

Massachusetts Putty Mfg.:

Minneseta Lacquer or Spirit Varnish Mfg. includes mixing of thinners or solvents but no nitrocellulose manufacturing. Assign risks engaged in the manufacturing of nitrocellulose, thinners or solvents to the appropriate chemical Code 4828 or 4829:

Minnesota Varnish Mfg. Oleo Resinous manufacturing of solvents, spirit varnishes, lacquers or dopes to be separately rated.

SCOPE

Code 4558 is assigned to employers that insureds engaged in the manufacture of all types of paint. Pigments, drying oils, binders, whiting, varnishes, resins, solvents, thinners, and paint extenders are received from others. Paint is composed of a solid, the pigment, and a liquid, the vehicle (drying oils and resins) which form the film and, usually, a solvent or thinner to improve the ease of application. Paints may be either water-based or oil-based according to whether the thinner is water or an organic liquid such as turpentine. The processes involve a series of mixing and grinding operations in slow or moderately rapid moving machinery according to the particular paint being made.

The first mixing stirs the pigments and the vehicle into a uniform mass. Various milling machines may be used for finer grinding prior to adding the thinner. Paint extenders may also be added prior to blending.

The product is then piped to filling machines where various-size cans and drums are filled and labeled. Paint manufacturers may also handle various synthetic solvents that which are used in the preparation of paintbrush cleaners and paint thinners. Also, putty and caulking compound manufacturing operations are included in contemplated within the scope of this classification.

Code 4558 also <u>applies to employers that process</u> is applied to insureds engaged in processing mineral or inorganic colors. The classification covers the dry grinding, blending, and testing of natural pigments such as ochre, sienna, umber, and red and brown and black oxide that which are received from others. Following the

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grinding, mixing, and blending operations, the pigments are bagged or packed for shipment. Code 4558 <u>does not apply to employers that grind or blend is not applied to insureds engaged in grinding or blending</u> organic dyes, dye intermediates, and lakes, which are to be rated under the Chemical and Dyestuff Rating Plan.

This classification also <u>applies to employers that manufacture is applied to insureds engaged in the manufacture of whiting</u>. Ground chalk, limestone, or calcite is received from others. The operations involve fine grinding and mixing to produce various grades of whiting, which is used mostly as a dry color and as a filler and extender in pigments, putty, whitewash, etc.

Code 4558 also applies to employers that manufacture lacquers or spirit varnishes. Commercial nitrocellulose, usually wet with solvent (etheralcohol); natural resins, such as shellac, dammar, amber, copal; and synthetic resins such as ester gums, alkyd, and acrylate are received from others along with solvents or thinners such as alcohol, methanol, methyl isobutyl ketone, butyl acetate, toluene, and xylene. Spirit varnishes are solutions or dispersions of a resin or other film-forming substance in a volatile solvent which, when applied, harden by the evaporation of the solvent. Spirit varnishes are termed by the trade as cold-cut varnishes since they must be manufactured at a temperature that is below the flash point of the solvents used. Lacquers are, in some respects, comparable to spirit varnishes with the exception that more inflammable materials are used, including nitrocellulose or pyroxylin. The mechanical work of manufacturing lacquers or spirit varnishes is, in general, a relatively simple process involving the placement of the required ingredients in a container or tank and agitating or stirring them until the resin is completely dispersed or cut. The resultant lacquer or spirit varnishes are then filled into drums or tank cars. Shipping regulations usually require red labels.

Code 4558 also applies to employers that manufacture oleo resinous varnishes. Drying oils such as linseed, tung, perilla, and soybean; natural resins such as pine tar, pitch, and Canada balsam; and synthetic resins such as estergums, glyceryl phthalate, and alkyd are received from others along with thinners such as spirits of turpentine and dryers such as manganese acetate or borate. Oleo resinous or oil varnishes are processed by cooking drying oils alone or in combination with natural or synthetic resins in kettles or cookers, which may be heated by open flame, electricity, or steam for a period of time depending on the type of varnish product. When cooled, thinners or dryers may be added to reduce the consistency of some mixtures. Oleo resinous varnishes, when applied, harden by absorption of oxygen from the air. The finished products are filled into cans or drums and labeled or stenciled for shipe tment.

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4828

PHRASEOLOGY

CHEMICAL BLENDING OR MIXING NOC-ALL OPERATIONS AND DRIVERS.

Shall not be assigned to a risk engaged in the manufacture of chemicals.

SCOPE

Code 4828 applies to employers that compound, blend, mix, bottle, and package is applied to insureds engaged in compounding, blending, mixing, bottling, and packaging chemicals that which are not otherwise classified. The Code 4828 employer risk does not manufacture any of the ingredients that comprise the foregoing but receives the ingredients from others. Refer to Code 4829 for employers that manufacture insureds engaged in the manufacture of products requiring a chemical conversion. The term "chemical conversion" means any process in which the substances used in the manufacturing process undergo a molecular change in composition. Code 4829 is distinguished from Code 4828 by the fact that employers insureds that qualify for Code 4828 do not manufacture any of the ingredients they compound, blend, mix, bottle, or package.

Code 4828 operations may involve simple hand or machine mixing or blending where no chemical conversions are involved. Products may be prepared by blending materials in the presence or absence of heat to produce a product. Other processes Code 4828 employers-risks may engage in perform are sifting, grinding, pulverizing, drying, liquidating, and blending ingredients with or without heat.

Insect control involving the use of poisonous gases is additionally assigned to Code 4828 since the exposure is principally chemical in nature. Please refer to Code 9014 for insect extermination work including termite control that does not involve the use of poisonous gases.

Code 4828 is a "not otherwise classified" (NOC) classification. This means that Code 4828 <u>will only apply to an employer's operation(s)</u> shall apply to an insured's operation(s) enly when no other classification more specifically describes the insured's <u>employer's</u> operation(s). The following is a representative list of operations somewhat related in nature to Code 4828 operations that are not assigned to Code 4828.

- 4511 Analytical Laboratories or Assaying—Including Laboratory, Outside Employees, Collectors of Samples, & Drivers
- 4741 Asphalt or Tar Distilling or Refining & Drivers
- 4829 Chemical Mfg.—NOC—All Operations & Drivers—Includes Blending or Mixing
- 4703 Dextrine Mfg.
- 1472 Distillation—Wood & Drivers
- 2130 Distillery—Spirituous Liquor
- 4611 Drug, Medicine or Pharmaceutical Preparation, Compounding, or Blending—No Mfg. of Ingredients
- 4771 Explosives or Ammunition Mfg. NOC & Drivers
- 4583 Fertilizer Mfg. & Drivers
- 4653 Glue Mfg. & Drivers
- 4557 Ink Mfg.
- 4683 Oil Mfg.—Vegetable—NOC

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- 4686 Oil Mfg.—Vegetable—Solvent Extraction Process
- 4740 Oil Refining—Petroleum & Drivers
- 4558 Paint Mfg.
- 4207 Pulp Mfg.—Chemical Process
- 4720 Soap or Synthetic Detergent Mfg.
- 4751 Synthetic Rubber Mfg.
- 4558 4439 Lacquer or Varnish Mfg. Manufacturing
- 2416 Yarn Dyeing or Finishing

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 Gode 4828 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

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4829

PHRASEOLOGY

CHEMICAL MFG. NOC-ALL OPERATIONS & DRIVERS-INCLUDES BLENDING OR MIXING.

Must Shall not be assigned to an employer that exclusively blends or mixes a risk engaged exclusively in the blending or mixing of chemicals. The following is a partial list of chemical manufacturing processes included incontemplated by Code 4829: alcoholysis; alkylation; amination; calcination; carboxylation; compression of gases; distillation; esterification; halogenation; nitration; oxidation; reduction; sulphonation.

CROSS-REF.

Acid Mfg.; Ammonia Mfg.; Ammonium Nitrate Mfg.—includes dehydration and graining; Synthetic Rubber: Intermediate Mfg.—oil refining, gasoline recovery, acetylene gas mfg., and alcohol mfg. ‡to be separately rated; Vitriol Mfg.

SCOPE

Code 4829 <u>applies to is applied to insureds engaged in the manufacture of products requiring a chemical conversion.</u> The term "chemical conversion" means any process in which the substances used in the manufacturing process undergo a molecular change in composition. Refer to Code 4828—Chemical Blending or Mixing NOC for <u>employers that compound, blend, mix, bottle, and package insureds engaged in compounding, blending, mixing, bottling, and packaging chemicals that which are not otherwise classified. Code 4829 is distinguished from Code 4828 by the fact that <u>employers insureds</u> that qualify for Code 4828 do not manufacture any of the ingredients they compound, blend, mix, bottle, or package.</u>

The following briefly describes those processes that which are specifically referenced in Code 4829's footnote:

- 1. Alcoholysis as used above means the process of introducing one or more alcohol groups into a compound for purposes of chemical conversion.
- 2. Alkylation as used above means the process of introducing one or more alkyl groups into a compound for purposes of chemical conversion.
- 3. Amination as used above means the process of introducing one or more amine groups into a compound for purposes of chemical conversion.
- 4. Calcination as used above means the process of heating materials to a high temperature but without fusing in order to effect changes in the material.
- 5. Carboxylation as used above means a chemical conversion involving carboxyl or carbon dioxide to form a carboxylic acid.
- 6. Distillation as used above means a process of driving gas or vapors from liquids or solids by heating and condensing liquid products. Distillation may be used for, but is not limited to, purification, fractionation, or the formation of new substances. Risks engaged in Employers performing distillation may also use fermenting processes. Distillation of asphalt, wood, spirituous liquor, and fruit juice are separately classified.
- 7. Esterification as used above means the process of introducing one or more ester groups into a compound for purposes of chemical conversion.
- 8. Halogenation as used above means the process of combining a halogen (chlorine, bromine, fluorine, iodine, astatine) with another substance to form a new compound.

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- 9. Nitration as used above means the process of combining a nitrate (NO₂) with another substance to form a new compound. Some of the ways nitration is performed are treating a substance with a mixture of strong nitric and sulphuric acid; adding nitric acid and strong sulphuric acid; nitric acid, alone, may be added to the substance; and solutions of nitrous gas or sodium nitrate in acid solutions may be used.
- 10. Oxidation as used above means the process of uniting or of causing a compound to unite with oxygen chemically. The use of powerful oxidizing agents is contemplated within the scope of Code 4829. The use or manufacture of such substances as chlorates, perchlorates, permanganates, and peroxides liberate large quantities of oxygen and are included within the definition of oxygenation.
- 11. Sulphonation as used above means the combination of sulfates or sulfides with another substance to form a new compound.

Certain Code 4829 operations are designated as "not otherwise classified" (NOC). These NOC operations shall apply to an insured's employer's operations only when no other classification more specifically describes the insured's employer's operations. The following is a representative list of operations somewhat related in nature to Code 4829 operations that are not assigned to Code 4829.

- 4511 Analytical Laboratories or Assaying—Including Laboratory, Outside Employees, Collectors of Samples, & Drivers
- 4741 Asphalt or Tar Distilling or Refining & Drivers
- 4828 Chemical Blending or Mixing NOC—All Operations & Drivers
- 4703 Dextrine Mfg.
- 1472 Distillation—Wood & Drivers
- 2130 Distillery—Spirituous Liquor
- 4611 Drug, Medicine or Pharmaceutical Preparation, Compounding, or Blending—No Mfg. of Ingredients
- 4771 Explosives or Ammunition Mfg. NOC & Drivers
- 4583 Fertilizer Mfg. & Drivers
- 4653 Glue Mfg. & Drivers
- 4557 Ink Mfg.
- 4683 Oil Mfg.—Vegetable—NOC
- 4686 Oil Mfg.—Vegetable—Solvent Extraction Process
- 4740 Oil Refining-Petroleum & Drivers
- 4558 Paint Mfg.
- 4207 Pulp Mfg.—Chemical Process
- 4720 Soap or Synthetic Detergent Mfg.
- 4751 Synthetic Rubber Mfg.
- 4558 4439Lacquer or Varnish Mfg. Manufacturing
- 2416 Yarn Dyeing or Finishing

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 Gode 4829 or a classification other than a classification on the above list is applicable to the operations being reviewed for classification purposes.

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5059•

PHRASEOLOGY

IRON OR STEEL÷ ERECTION—FRAME STRUCTURES NOT OVER TWO STORIES IN HEIGHT. Code 5040—Iron or Steel Erection—Frame Structures shall not be assigned to the same job or location to which Code 5059 applies.

CROSS-REF.

State Special: California Iron or Steel Erection—Structural—In the Construction of Buildings Not Over Two Stories in Height—NPD With Code 5040—Iron or Steel Erection—Structural—this classification includes the erection of staircases and exterior iron or steel work in connection with buildings not exceeding two stories in height. The erection of structural frame members in connection with buildings over two stories in height shall be separately classified as Code 5040—Iron or Steel Erection—Structural;

Massachusetts—Quonset Type Buildings—Erection: Barns, Warehouses and Other Commercial Buildings: Frame Work—Iron or Steel Erection—Frame Structures;

Minnesota Iron or Steel: Erection - Construction of Dwellings Not Over Two Stories in Height;

New Jersey Iron or Steel Erection—Frame Structures Not Over Two Stories in Height NPD With Gode 5040—Iron or Steel Erection—Frame Structures:

New York—Frame Structures—Not Over Two Stories in Height—not available for division of payroll with Gode 5040—Iron or Steel Erection—Frame Structures at the same job or location.

Oregon Iron or Steel Erection One to Two Story Frame Structures Including Dwellings.

CROSS-REF.

Iron or Steel—Erection—Construction of Dwellings Not Over Two Stories in Height; Military Reservation Construction—Iron or Steel Erection—Not Over Two Stories in Height—applies only to the construction or repair of buildings designed for the housing, welfare, and keep of personnel. All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations must be assigned to the appropriate classifications.

SCOPE

Code 5059 is applied to insureds engaged in the erection of iron or steel frame structures, other than dwellings, including assembling or fabricating at the job site. It eontemplates includes the raising of the structural members and securing by bolting, welding or riveting the frame or skeleton of buildings not over two stories in height, i.e., barns, garages, warehouses, aircraft hangars, Quonset huts, lunch stands, gasoline filling stations, etc. Specialist contractors engaged in performing the erection of concrete structural beams or girders, which have been cast by others, also fall within the scope of this classification as well as specialist contractors engaged in performing the connecting of bar joists to the steel framework. Sheet metal siding erection or interior or exterior light-gauge steel frame erection are properly subject to divisions of payroll as are other contracting operations where the rules of the manual relating to payroll division will permit.

Welding operations, whether performed by principal or by specialist contractors in connection with iron or steel erection, are considered incidental to Gode 5059.

Please refer to Gode 5403 for extra territorial premium determination guidelines that may be applicable to insureds that have operations outside their headquarters' state.

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Code 5059 also includes any iron or steel work on one- or two-family residences or other buildings used for dwelling purposes, including Quonset huts, not exceeding two stories in height. The operations involve the raising of the structural members and securing by bolting, welding or riveting. Specialist contractors performing the erection of concrete structural beams or girders that have been cast by others also fall within the scope of this classification as well as specialist contractors performing the connecting of bar joists to the steel framework. Sheet metal siding erection or interior light-gauge steel frame erection are properly subject to divisions of payroll as are other contracting operations where the rules of the manual relating to payroll division will permit.

Code 5059 also applies to employers performing the erection of iron or steel in connection with military reservation construction not over two stories in height. This would include barracks, hospitals, mess halls, canteens or post exchanges, administration buildings, officers' quarters, and recreation centers. It is also applicable to the construction or repair of waterworks, powerhouses, warehouses used for storage of commissary goods, equipment, tanks, guns, etc., aircraft hangars, ammunition storehouses, repair shops, radio stations, and similar erection or repair work when this work is included under the same contract for construction, provided the major erection or repair cost or the majority of payroll is expended in connection with buildings designed for the housing, welfare, and keep of personnel. If the major erection or repair cost or the majority of payroll is expended in connection with buildings other than those designed for the housing, welfare and keep of personnel, the appropriate classifications must be assigned to the erection or repair of such buildings.

Welding operations, whether performed by principal or by specialist contractors in connection with iron or steel erection, are considered incidental to Code 5059.

Refer to Code 5403 for extra-territorial premium determination guidelines that may be applicable to employers that have operations outside their headquarters' state.

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5069•

PHRASEOLOGY

IRON OR STEEL—ERECTION—CONSTRUCTION OF DWELLINGS NOT OVER TWO STORIES IN HEIGHT

CROSS-REF.

Military Reservation Construction — Iron or Steel Erection—Not Over Two Stories in Height

Applies only to the construction or repair of buildings designed for the housing, welfare, and keep of personnel. All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations must be assigned to the appropriate classifications.

SCOPE

Gode 5069 is applied to employers engaged in the erection or construction of iron or steel dwellings including assembling or fabricating at the job site. It contemplates any iron or steel work on one- or two family residences or other buildings used for dwelling purposes, including Quonset huts, not exceeding two stories in height. The operations involve the raising of the structural members and securing by bolting, welding or riveting. Specialist contractors engaged in the erection of concrete structural beams or girders that have been east by others also fall within the scope of this classification as well as specialist contractors engaged in the connecting of bar joists to the steel framework. Sheet metal siding erection or interior light gauge steel frame erection are properly subject to divisions of payroll as are other contracting operations where the rules of the manual relating to payroll division will permit.

Code 5069 also is applied to employers engaged in the erection of iron or steel in connection with military reservation construction not over two stories in height. This would include barracks, hospitals, mess halls, canteens or post exchanges, administration buildings, officers' quarters and recreation centers. It is also applicable to the construction or repair of waterworks, powerhouses, warehouses used for storage of commissary goods, equipment, tanks, guns, etc., aircraft hangars, ammunition storehouses, repair shops, radio stations and similar erection or repair work when this work is included under the same contract for construction, provided the major erection or repair cost or the majority of payroll is expended in connection with buildings designed for the housing, welfare and keep of personnel. If the major erection or repair cost or the majority of payroll is expended in connection with buildings other than those designed for the housing, welfare and keep of personnel, the appropriate classifications must be assigned to the erection or repair of such buildings.

Welding operations, whether performed by principal or by specialist contractors in connection with iron or steel erection, are considered incidental to Gode 5069.

Refer to Code 5403 for extra territorial premium determination guidelines that may be applicable to employers that have operations outside their headquarters' state.

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5213**•**

Established:	Replaced By:
July 1929	Not Applicable
Discontinued:	Retained:
Not Applicable	Not Applicable
	NCCI Schedule and Group:
	Schedule 27, Group 273

PHRASEOLOGY

CONCRETE CONSTRUCTION NOC

Note: Includes foundations or the making, setting up or taking down of forms, scaffolds, false work or concrete distributing apparatus. Excavation, pile driving, all work in sewers, tunnels, subways, caissons or cofferdams to be separately rated. Codes 5222—Concrete Construction in Connection with Bridges and Culverts; and 5506 and 5507—Street or Road Construction—shall not be assigned at the same job or location to which Code 5213 applies.

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.)
238110—Poured Concrete Foundation and Structure Contractors

Description:

Code 5213 applies to all commercial types of concrete building construction, self-bearing floors, foundations, piers, culverts, silos, grain elevators, etc., and includes making and erecting forms, placing reinforcing steel and stripping forms. Code 5213 would apply to each of the aforementioned steps in the concrete construction process whether all work is performed by the principal contractor or portions of the job—such as making or erecting forms—are completed by a specialty subcontractor.

The term "self-bearing floors" mentioned above is used as a basis for distinguishing between self-supported concrete floors, assignable to Code 5213, and ground-supported concrete floors, assignable to Code 5221. A self-bearing floor is elevated above the ground and, being an integral part of the concrete construction itself, is assigned to Code 5213. A ground-supported floor of a building that is poured either at the beginning or end of the construction job involves the type of concrete or cement work included in Code 5221.

Concrete walls that are poured in flat forms on ground level are assigned to Code 5221, provided that the pouring <u>insured employer</u> does not tilt up the walls and secure them into place. This operation is assigned to Code 5221 since the exposure is the same as that of pouring a ground-supported concrete floor. Code 5213 is assigned to an operation in which an <u>insured employer</u> both pours the concrete at ground level to create a wall and subsequently tilts the wall into place.

The use of precast concrete and the slip-form method of construction are also included in Code 5213.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

Other operations included in Code 5213 include grouting operation employees, who place cement or plastic compounds in holes that have been drilled by others.

Code 5213 is also assigned to concrete operations on commercial sites in connection with building raising or moving operations. When no separation of payroll exists, the payroll for the entire building raising or moving operation must be assigned to Code 5703 or the highest rated classification applicable that applies, whichever is greater.

Special Conditions:

Extra-Territorial Classification Guidelines:

The following material was developed by NCCI to be used as a guide by auditors and underwriters in the determination of premium for contracting (construction <u>risks employers</u>) with extra-territorial employments where no company guidelines have been established for this purpose. Construction classifications are indicated by the addition of a construction code symbol (•) next to the classification code number.

- 1. Payroll of employees of contractors who have their place of business in a given state and operate also in adjoining states and who are constantly crossing state lines, but usually return to their homes each night, must be assigned to their headquarters' state. Example: Contractors such as electricians, plumbers, carpet layers, etc.
- 2. The payroll for executive supervisors who may visit a job but who are not in direct charge of a job must be assigned to the state in which their headquarters are located.
- 3. There are contractors who maintain a permanent staff of employees and superintendents. If any of these employees or superintendents are assigned to a job that is located in a state other than their headquarters' state, either for the duration of the job or any portion thereof, their payroll must be assigned to the highest rated of either the state in which the job is located or the headquarters' state.
- 4. The payroll of employees who are hired for a specific job project must be assigned to the state in which the job is located.

When a portion of the operations of a risk <u>an employer</u> is insured in <u>by</u> a monopolistic state fund, consider the special rules and requirements that may exist in such cases.

Related Operations Not Classified to Code 5213:

Concrete pumping operations, whether performed by a general contractor, specialist contractor or
concrete ready-mix dealer, are assigned to the appropriate concrete construction class that is applies
applies to the location at which the concrete is being pumped. (In Oregon, assign Gode 9534.)

Certain Code 5213 operations are designated as "not otherwise classified" (NOC). These NOC operations apply to an <u>insured employer</u> only when no other classification more specifically describes the <u>insured's employer's</u> operations. The following is a representative list of operations somewhat related in nature to Code 5213 operations that are not assigned to Code 5213.

- 5222—concrete construction in connection with bridges or culverts
- 5221—concrete or cement work—floors, driveways, yards or sidewalks
- 4034—concrete products mfg. NOC
- 5215—concrete work—incidental to the construction of private residence
- 6017—dam or lock construction: concrete work—all operations
- 5506—street or road construction: paving or repaving
- 5223—swimming pool construction—not iron or steel

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

In addition to this representative list, review sources such as the alphabetical index in this manual to determine whether a classification other than Gode 5213 or a classification other than any on the above list applies to the operations being reviewed for classification purposes.

CROSS-REF.

CLEANING OR RENOVATING BUILDING EXTERIORS

Description:

Code 5213 also applies to the cleaning or renovation of building exteriors by various methods.

Related Operations Not Classified to Code 5213:

Refer to Code 5551 for the cleaning of roofs.

CROSS-REF.

CONCRETE: CONSTRUCTION—PRIVATE RESIDENCES—MONOLITHIC

Description:

In addition, monolithic concrete private residence construction is assigned to this code. "Monolithic concrete," when used in this context, means concrete that is poured in one piece except for separation or joints as may be needed for expansion purposes.

CROSS-REF.

CONSTRUCTION—ELEVATOR OR HOD HOIST INSTALLATION, REPAIR OR REMOVAL & DRIVERS

Note: The following operations will be classified as:

5213—concrete or concrete encased buildings or structures

5057—iron or steel buildings or structures

5022—masonry buildings or structures

6003—piers or wharfs

5403—wooden buildings or structures including those designed for dwelling occupancy

CROSS-REF.

DAM OR LOCK CONSTRUCTION—CONCRETE WORK—ALL OPERATIONS

Description:

Includes work on foundations, or the making, setting up or taking down of forms, scaffolds, false work or concrete distributing apparatus. With respect to non-pneumatic caisson or non-pneumatic cofferdam operations, the appropriate caisson or cofferdam classification will apply only to the construction, maintenance or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson or cofferdam work to be separately rated.

CROSS-REF.

GUNITING-NOT CHIMNEYS-ALL OPERATIONS

Note: Guniting on chimneys to be separately rated as Code 5222—Chimney Construction.

Description:

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

Guniting or waterproofing operations by means of any type of pressure spray gun, pressure cement gun or other pressure apparatus is also included under Code 5213. The term "pressure," when used above, refers to mechanical, not hand pressure. Waterproofing material applied to exterior walls of foundations or subterranean structures by means of an apparatus inserted in the ground is assigned to Code 9014. As indicated in this classification's footnote, guniting on chimneys is separately rated as Code 5222.

CROSS-REF.

SATELLITE DISH INSTALLATION:—APPLIES TO GROUND OR ROOF-MOUNTED INSTALLATIONS: INSTALLATION OF CONCRETE MOUNTING PAD

Description:

Employees who pour concrete pads for installers of satellite dishes are assigned to Code 5213.

CROSS-REF.

SILO ERECTION:—CONCRETE

CROSS-REF.

SILO ERECTION:—PRE-CAST CONCRETE STAVES

CROSS-REF.

WRECKING—BUILDINGS OR STRUCTURES—NOT MARINE—ALL OPERATIONS—CONCRETE OR CONCRETE-ENCASED BUILDINGS OR STRUCTURES

Note: Includes salespersons and clerical at wrecking site.

Description:

The wrecking of concrete or concrete-encased buildings or structures is assigned to Code 5213.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

6017•

N/A-GA, MO, RI, WI

PHRASEOLOGY

DAM OR LOCK CONSTRUCTION: CONCRETE WORK-ALL OPERATIONS.

Includes work on foundations, or the making, setting up or taking down of forms, scaffolds, false work or concrete distributing apparatus. With respect to non-pneumatic caisson or non-pneumatic cofferdam operations, the appropriate caisson or cofferdam classification shall apply only to the construction, maintenance or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson or cofferdam work to be separately rated.

GROSS-REF.

State Special: New York—Dam or Lock Construction: Concrete Work & Drivers in Connection With Dams or Locks—All Types—including foundations or the making, setting up or taking down of forms, scaffolds, falsework or concrete distributing apparatus. Excavation, pile driving, shaft sinking, tunneling; caisson or cofferdam work to be separately rated. With respect to nonpneumatic caisson or nonpneumatic cofferdam operations, the appropriate caisson or cofferdam classification shall apply only to the construction, maintenance or removal of the caisson or cofferdam.

SCOPE

Gode 6017 is applicable to concrete work in connection with dam or lock construction. In addition to the operations described in the footnote above, Code 6017 contemplates temporary concrete batch plant operations at the construction job site when these batch plants are operated by the risk that is engaged in Code 6017 construction operations. Dam repair work is also contemplated by Code 6017.

Gaissons or cofferdams are large, watertight chambers used in underwater construction. Refer to Code 6252 for non-pneumatic work in connection with dam or lock construction, but only with respect to the construction, maintenance or removal of the caisson or cofferdam.

Refer to Code 6018 for earthmoving or placing operations in connection with dam or lock construction.

Please refer to Gode 5403 for extra territorial premium determination guidelines that may be applicable to insureds that have operations outside their headquarters' state.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

6217**•**

 States Not Applicable:
 Replaced By:

 Not Applicable
 Not Applicable

 Established:
 Retained:

 June 1935
 Not Applicable

 Discontinued:
 NCCI Schedule and Group:

 Not Applicable
 Schedule 26, Group 264

PHRASEOLOGY

EXCAVATION & DRIVERS

Note: Includes borrowing, filling or backfilling. Grading or excavation in connection with street or road construction, dam or lock construction, pile driving, shaft sinking, caisson or cofferdam work to be separately rated.

Description:

Code 6217 is applied to specialist contractors who perform general excavation including ditch digging, burrowing, filling or backfilling, provided that such operations are not otherwise classified in the manual. The operations involve the removal of earth, small boulders and rocks by power shovels, trench diggers or bulldozers and piling it at the job site for backfill. The material may also be removed by dump trucks for fill in some other area.

Code 6217 includes excavation in connection with building foundations, swimming pools, landscape gardening and waterproofing operations. It does not include excavation in connection with street or road construction, dam or lock construction, pile driving, shaft sinking, caisson or cofferdam work.

This classification also is applied to specialist contractors who perform grading land and landfilling, provided that these operations are not otherwise classified in the manual. The classification includes ditch digging, burrowing, filling or backfilling, and operations such as scraping, cutting, piling or pushing the earth to rearrange the terrain. These operations utilize equipment such as bulldozers, motor graders and carryalls. The classification includes grading involved in airport construction, grading of land preparatory to construction or planting, grading of parking lots, etc. It does not include grading in connection with street or road construction, dam or lock construction, pile driving, shaft sinking, and caisson or cofferdam work.

Building raising or moving operations should be assigned in the following manner, provided that payroll separation is maintained:

5403•—carpentry operations on commercial structures

5645•—carpentry operations on residential structures

5213•—concrete operations on commercial sites

5221 •—concrete operations on residential structures

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

5703•—drivers who transport the structure on trailers, dollies, bearings, etc.

6217•—excavation operations

5057•—iron or steel operations

5022 - masonry operations

6003 - pile driving operations that underpin, raise, or stabilize a foundation

7380—pilot car duties that do not remove or move obstacles

5703 - pilot car duties that remove or move obstacles

When no separation of payroll exists, the payroll for the entire operation must be assigned to Code 5703 or the highest rated classification applicable that applies, whichever is greater.

Analogy Assignments:

Specialist contractors who remove trees using mechanical equipment are assigned by analogy to Code 6217 since this work essentially involves digging or excavation operations. Tree removal operations assigned to Code 6217 include the removal of one or a few trees on developed sites, not tree removal operations involving large numbers of trees in order to clear a right-of-way.

Special Conditions:

Extra-Territorial Classification Guidelines:

The following material was developed by NCCI to be used as a guide by auditors and underwriters in the determination of premium for contracting (construction or erection employers) with extra-territorial employments where no company guidelines have been established for this purpose. Construction or erection classifications are indicated by the addition of a construction code symbol (•) next to the classification code number.

- 1. Payroll of employees of contractors who have their place of business in a given state and operate also in adjoining states and who are constantly crossing state lines, but usually return to their homes each night, should be assigned to their headquarters' state. Example: Contractors such as electricians, plumbers, carpet layers, etc.
- 2. The payroll for executive supervisors who may visit a job but who are not in direct charge of a job should be assigned to the state in which their headquarters are located.
- 3. There are contractors who maintain a permanent staff of employees and superintendents. If any of these employees or superintendents are assigned to a job that is located in a state other than their headquarters' state, either for the duration of the job or any portion thereof, their payroll should be assigned to the highest rated of either the state in which the job is located or the headquarters' state.
- 4. The payroll of employees who are hired for a specific job project should be assigned to the state in which the job is located.

When a portion of the operations of an employer are insured in a monopolistic state fund, consideration must be given to the special rules and requirements that may exist in such cases.

Related Operations Not Classified to Code 6217:

- Tree removal involving the clearing of right-of-ways is classified to Code 2702—Logging or Lumbering.
- Tree removal performed by an employer that also performs tree surgeon activities such as pruning or spraying is classified to Code 0106.

Certain Code 6217 operations are designated as "not otherwise classified" (NOC). These NOC operations apply to an employer only when no other classification more specifically describes the employer's operations.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

The following is a representative list of classifications somewhat related in nature to Code 6217 operations that are not assigned to Code 6217:

6018	Dam or Lock Construction—Earthmoving or Placing—All Operations & Drivers
6204	Drilling NOC & Drivers
6045	Levee Construction—All Operations to Completion & Drivers
1654	Quarry—Cement Rock—Surface & Drivers
<u>1642</u>	1655 Quarry—Limestone—Surface
1624	Quarry NOC & Drivers
4000	Sand or Gravel Digging & Drivers
5508	Street or Road Construction—Rock Excavation & Drivers
5507	Street or Road Construction—Subsurface Work & Drivers

CROSS-REF.

AIRPORT CONSTRUCTION & DRIVERS—GRADING

CROSS-REF.

BLASTING ROCK & DRIVERS

Description:

Code 6217 is applied to specialist contractors who blast or remove mass rock of any type. The rock may be blasted by loading previously drilled holes with dynamite, water gels, caps, etc., and blasting or setting off the explosives. When these holes are drilled by the blasting contractor, Code 6217 is assigned to the drilling. When these holes are drilled by a specialist drilling contractor, Code 6204—Drilling NOC & Drivers is assigned to the drilling operation. Jackhammers or steel balls may be used to break up the rock sections, which are then loaded into dump trucks for removal or storage.

Code 6217 is assigned to blasting operations when these operations are conducted by an employer assigned to Code 4777—Explosives Distributors & Drivers.

CROSS-REF.

CLEARING OF RIGHT-OF-WAY—ELECTRIC, POWER, TELEPHONE, BURGLAR, OR FIRE ALARM LINES—BRUSH CLEARING OR REMOVAL—NEW OR EXISTING RIGHT-OF-WAY & DRIVERS

Note: Applies to the clearing or removal of brush using mechanical equipment. **Description:**

Clearing right-of-ways for electric or power lines, telephone or telegraph lines, or burglar or fire alarm lines may involve tree removal, tree pruning or tree stump removal. The following classification assignments apply to work involving trees for those employers contracting exclusively for clearing right-of-ways.

Code 2702—tree removal of standing timber using hand or power tools for the purpose of clearing right-of-ways on an undeveloped or developed site.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

Code 6217—clearing or removal of brush using mechanical equipment such as bulldozers, hydroaxes, etc., or the purpose of clearing right-of-ways on an undeveloped or developed site.

Code 0106—tree pruning, spraying and repairing for the purpose of maintaining right-of-ways or clearing right-of-ways on a developed site. Incidental tree removal of one or a few trees on a developed site conducted in connection with tree pruning, spraying, and repairing operations is also assigned to Code 0106

Related Operations Not Classified to Code 6217:

- An employer that clears right-of-ways and also performs power line construction and service or repair
 operations is assigned to the proper power line construction or erection classification.
- Refer to Code 7538 or Code 7601 for these operations.

CROSS-REF.

EXCAVATION & DRIVERS NOC

CROSS-REF.

GRADING OF LAND NOC & DRIVERS

Note: Includes borrowing, filling or backfilling. Separately rate: mass rock excavation, grading or excavation in connection with street or road construction, pile driving, shaft sinking, caisson or cofferdam work.

CROSS-REF.

ROCK EXCAVATION & DRIVERS

Note: Not tunneling or street or road construction.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

1852

PHRASEOLOGY

ASBESTOS GOODS MFG.

Includes spinning or weaving.

SCOPE

Gode 1852 is applied when the principal raw material or product is composed of asbestos provided there is no other classification which more specifically describes the operations. The manufacturing operations may begin with flake asbestos as the raw material, which can be spun and woven into cloth or the flakes may be used as an ingredient in the processing or treatment of paper. Finished asbestos cloth or paper may also be used as raw materials. To prepare the cloth, operations similar to textile manufacturing are involved. Additionally, this classification is applied to employers manufacturing molded asbestos products involving the mixing of asbestos with other ingredients, molding, baking, cutting to size, and dressing by surface grinding. Gode 1852 is applied to the manufacture of asbestos cement; asbestos boards, sheets, shingles, or pipe coverings; asbestos brake linings, clutch facings, valve packing, dryer felt, and rubber treated asbestos.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

2055

State Special: applies in VA

PHRASEOLOGY

PEANUT HANDLING.

Applies to cleaning, grading or shelling. Hull grinding or manufacturing of oil to be separately rated.

SCOPE

SCOPE Code 2055 is assigned to insureds engaged in the cleaning, grading, polishing or shelling of peanuts for themselves or for others. These operations may be incidental to several other classifications and Code 2055 should not be used in connection with the manufacture of livestock feed, fertilizer, food sundries or oil pressing unless the operations subject to Code 2055 are conducted as a separate and distinct business.

Code 8292 is assigned to insureds storing peanuts belonging to others.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

2740

State Special: applies in VA

PHRASEOLOGY

STAVE MFG.

SCOPE

Gode 2740 is assigned to insureds engaged in the manufacture of staves for assembling of barrels. This class contemplates manufacturers who specialize in sawing staves only from pine saplings.

Gode 2740 is differentiated from Godes 2735 and 2741 in that these codes are applicable to those concerns manufacturing complete cooperage stock, including heads, staves, and possibly hoops.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

5067•

State Special: applies in MO, VA

PHRASEOLOGY

MO-BRIDGE BUILDING-METAL

VA—IRON OR STEEL ERECTION—METAL BRIDGES

SCOPE

Code 5067 is assigned to insureds engaged in the erection of iron or steel bridges or other bridges where the operations involve the erection of structural steel trusses, columns or I beams and steel decks. It does not apply to the placing of reinforcing rods in connection with any reinforced concrete bridge construction. Steel erection begins when the abutments or piers, erected by others, are in place. The operations usually start at both ends, working gradually to the center, and involve the placement of the steel beams by the use of cranes and the securing of the beams by bolting, welding or riveting. This classification also applies to specialist contractors engaged in the spinning and erection of suspension cables, cable clamps and suspenders in connection with bridge construction.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

8102**♦** N/A—MA

PHRASEOLOGY

SEED MERCHANT.

Includes operation of seed sorting machinery.

CROSS-REF.

Bean Sorting or Handling; Peanut Handling—applies to cleaning, grading, or shelling—hull grinding or manufacturing of oil to be separately rated. (N/A VA)

State Special: New York—Grain Elevator Operation—floating elevators to be separately rated under the appropriate vessel classification:

New York—Peanut Handling—applies to cleaning, grading or shelling. Hull grinding or mfg. to be separately rated as Code 2014—Feed Mfg.;

SCOPE

Code 8102 is applied to insureds engaged principally in applies to employers that principally perform the handling and merchandising of seeds. These seed merchants receive harvested grass, alfalfa or other field crop seeds, vegetable seeds, or flower seeds in bulk from growers. The operations include the processing of the seeds, usually involving power-driven cleaning and grading machinery as well as packaging machinery. In some cases the processed seeds are filled into sacks of varying sizes and stored prior to shipment, while in other cases they are filled into various sized packets which are then placed in cartons and stored prior to shipment. The merchandising is usually handled on a wholesale basis but some seed merchants sell at retail and conduct store activities on the premises where they display racks of seed packets and have sacks of seeds available for sale along with other incidental articles used by residential gardeners. These store operations are contemplated included within the scope of this classification provided these merchants are engaged in the processing of employers process the seeds. Agronomists who are engaged in research and development of new seed lines in the seed merchants' laboratories and also inspect seed crops being grown by farmers under contract to such merchants are appropriately assigned to Code 8102. Additionally, specialist contractors engaged in soil and crop inspection are assigned by analogy to this classification. These specialists have scouts who go to area farms and take crop and soil samples. Following analyses of the samples, these specialists recommend what type of chemicals or fertilizers are needed to improve the farmers' crop production.

Code 8102 also is applied to <u>insureds engaged in employers that perform</u> bean sorting or handling. The operations include machine cleaning and separating to remove dust, light waste, pods, splits and partially rotted beans. The beans are then run on a conveyor belt and small particles and off-colored beans that may have passed through the separator are removed by hand. The navy beans, pintos, small whites, large whites, or other varieties are then automatically filled into sacks or containers of various sizes prior to shipment.

Insureds engaged exclusively in Employers that exclusively perform peanut handling also are assigned to Code 8102. This classification contemplates the receipt of peanuts in bulk from growers and the machine cleaning, grading, visual inspection, and machine sacking of the unshelled peanuts which are then stored prior to shipment to peanut vendors. Some of these employers insureds will perform shelling operations,

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 2—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED SPECIAL CLASSIFICATIONS (Applies in: VA)

usually by machine. The shelled peanuts are then inspected and packaged according to grade for shipment to confectionery manufacturers, food products manufacturers, or manufacturers of vegetable oil.

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

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 4—STATE SPECIAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED—THREE-PHASE TRANSITION PROGRAM SPECIAL CLASSIFICATIONS (Applies in: VA)

2576

PHRASEOLOGY

VA-BAG OR SACK MEG.-CLOTH.

Applies to the manufacture of cotton, burlap or gunny bags or sacks.

VA—BAG RENOVATING. Applies to the renovating or repairing of cotton, burlap or gunny bags or sacks and includes sewing.

VA—AWNING OR TENT MFG.—SHOP. The installation, removal, or repair of awnings, tents or other canvas products away from the shop must be classified to Gode 5102. Unless payroll records are accurately maintained showing the amount of payroll expended for shop work, the entire payroll must be assigned to 5102.

VA—SAIL MAKING. Applies to shop operations.

SCOPE

Code 2576 applies to the manufacture of large and small products that are produced from canvas, duck, or synthetic water resistant fabrics. This classification includes the manufacture of products such as, but not limited to, awnings, tents, tarpaulins, laundry bags, knapsacks, barracks bags, newspaper carrying bags, aprons and bags for carrying tools of the building trades, feed bags, and water bags provided these products are manufactured using the materials noted or materials that are analogous to the listed materials. Powered material cutters, sewing machines, grommet equipment, pipe and bar stock cutters, and threaders may be utilized to fabricate these products.

Gode 2576 also applies to the manufacture of all types of bags or sacks made from textile fabrics such as cotton, burlap, or gunny. The bags or sacks are used as containers for flour, sugar, salt, meat products, vegetables, fruit, fertilizer, coal, building materials, etc. The classification includes bale opening, cloth slitting, sheeting, folding, sewing, and turning. Code 2576 also includes the renovation or repairing of bags or sacks.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

3821

States Not Applicable:

Not Applicable

Not Applicable

Retained:

October 1927

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Schedule and Group:

Not Applicable

Schedule 20, Group 201

PHRASEOLOGY

AUTOMOBILE RECYCLING & DRIVERS

Note: Includes the dismantling, salvaging or junking of parts. Store employees who do not engage in other operations and have no yard exposure are assigned to Code 8046.

NAICS Code(s):

(For reference only. Not to be used for classification of risksemployers for workers compensation purposes.) 423140—Motor Vehicle Parts (Used) Merchant Wholesalers

Description:

Code 3821 contemplates includes dismantling or wrecking of used automobiles, motorcycles, and trucks for the salvaging of parts. Auto dismantling may consist of the simple removal of salable parts by means of hand tools and retaining the frames and bodies for future sale to outside scrap collectors. Some dismantlers will also break up stripped chassis and bodies with acetylene torches or shears to be sold in the form of iron or steel scrap. In addition to the dismantling work, salvaged parts may be reconditioned or repaired and sold over the counter. New parts may also be stocked. In the case of larger risksemployers, a number of other functions may often be performed such as auto repairing, gas station operations, glass reconditioning, brake relining, cylinder reboring, piston grinding, and battery or tire repair.

Analogy Assignments:

- Dismantling of aircraft
- Dismantling of tractors
- Dismantling of trolleys

Equipment and Materials:

- Hand tools
- · Acetylene torches
- Acetylene shears

Special Conditions:

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

- Store employees who do not engage in perform other operations and have no yard exposure are classified to Code 8046.
- Towing for the purpose of bringing vehicles to the yard for the dismantling, salvaging, or junking of parts is
 contemplated included under Code 3821. Refer to the Basic Manual Code 7225 when towing for others
 or roadside assistance is performed for others.

Related Operations Not Classified to Code 3821:

The following is a representative list of operations somewhat related in nature to Code 3821 operations that are not assigned to Code 3821:

3507—eConstruction or aAgricultural mMachine mMfg.

8107—mMachinery dDealer NOC—sStore or Yard & Drivers

EXHIBIT 8 BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

5057 •

Established:

1920

Not Applicable

Discontinued:

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Schedule 27, Group 270

PHRASEOLOGY

IRON OR STEEL:--ERECTION NOC

Description:

Code 5057 applies to insureds employers that perform iron or steel work not otherwise classified in the manual. The classification is confined principally to groundwork where no structural operations are involved. It applies to raising supporting beams and trusses on walls of masonry or concrete construction where such beams do not constitute a part of the steel structure.

It includes setting up iron or steel tanks that rest on the ground, similar to those found on tank farms operated by the petroleum industry. It also includes the erection of cylindrical tanks not resting on steel supporting framework—the type common to industrial plants and fuel and oil dealers. Code 5057 also applies to iron or steel work in connection with the installation of lock gates, blast furnaces, windmills, outside railings, and coal chutes and the placement of iron or steel fronts as alterations to existing buildings.

Welding operations, whether performed by principal or specialist contractors, are considered incidental to the main iron or steel work and should be classified on the same basis as such work.

Code 5057 is also assigned to iron or steel work in connection with building raising or moving operations. When no separation of payroll exists, the payroll for the entire building raising or moving operation must be assigned to Code 5703 or the highest rated classification applicable that applies, whichever is greater.

Special Conditions:

Extra-Territorial Classification Guidelines:

The following material was developed by NCCI to be used as a guide by auditors and underwriters in the determination of premium for contracting (construction risks) with extra-territorial employments where no company guidelines have been established for this purpose. Construction classifications are indicated by the addition of a construction code symbol (•) next to the classification code number.

1. Payroll of employees of contractors who have their place of business in a given state and operate also in adjoining states and who are constantly crossing state lines, but usually return to their homes each night, must be assigned to their headquarters' state. Example: Contractors such as electricians, plumbers, carpet layers, etc.

EXHIBIT 8 (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

- 2. The payroll for construction project managers, executives, or superintendents who may visit a job but who are not in direct charge of a job must be assigned to the state in which their headquarters are located.
- 3. There are contractors who maintain a permanent staff of employees and superintendents. If any of these employees or superintendents are assigned to a job that is located in a state other than their headquarters' state, either for the duration of the job or any portion thereof, their payroll must be assigned to the highest rated of either the state in which the job is located or the headquarters' state.
- 4. The payroll of employees who are hired for a specific job project must be assigned to the state in which the job is located.

When a portion of the operations of a risk is insured in by a monopolistic state fund, consider the special rules and requirements that may exist in such cases.

Related Operations Not Classified to Code 5057:

Certain Code 5057 operations are designated as "not otherwise classified" (NOC). These NOC operations apply to an <u>insured employer</u> only when no other classification more specifically describes the <u>insured's employer's</u> operations. The following is a representative list of operations somewhat related in nature to Code 5057 operations that are not assigned to Code 5057.

6400—Fence Installation and Repair—Metal, Vinyl, Wood, or Prefabricated Concrete Panel Fence Installed by Hand

5069—Iron or Steel—Erection—Construction of Dwellings Not Over Two Stories in Height

5040—Iron or Steel —Erection—Frame Structures

5059—Iron or Steel —Erection—Frame Structures Not Over Two Stories in Height

5535—Sheet Metal Work—Installation & Drivers

CROSS-REF.

CONSTRUCTION—ELEVATOR OR HOD HOIST INSTALLATION, REPAIR OR REMOVAL & DRIVERS

Note: The following operations will be classified as:

5213—concrete or concrete encased buildings or structures

5057—iron or steel buildings or structures

5022—masonry buildings or structures

6003—piers or wharfs

5403—wooden buildings or structures including those designed for dwelling occupancy

CROSS-REF.

OIL RIG OR DERRICK ERECTING OR DISMANTLING-ALL OPERATIONS-METAL

Note: <u>Includes</u> the construction of foundations or structures and the installation of equipment. **Description:**

Code 5057 also applies to specialist contractors who set up iron or steel components in connection with oil rigs or derricks at their customers' drilling sites. It also applies to specialist contractors who handle equipment such as cranes or conveyors including double rail or monorail traveling cranes at their customers' industrial plants. The operations include incidental fabrication required to make the systems fit properly; bolting, welding or riveting; and hoisting into position. The classification does not include the installation and service of the

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operating mechanisms such as belts, chains, sprockets, gears, or motors.

EXHIBIT 8 (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

CROSS-REF.

SCAFFOLDING—SCAFFOLD INSTALLATION, REPAIR OR REMOVAL—BUILT UP FROM THE GROUND—NOT SUSPENDED OR SWINGING TYPE

Description:

The following describes scaffolding operations and their proper classification assignments:

9534—Scaffolding—Suspended or Swinging Scaffold Installation, Repair or Removal & Drivers

9534—Scaffolding—Outrigger Scaffold Installation, Repair or Removal & Drivers

5057— \underline{S} caffolding— \underline{S} caffold Installation, \underline{R} epair or \underline{R} emoval— \underline{B} uilt up \underline{F} rom the \underline{G} round— \underline{N} ot \underline{S} uspended or \underline{S} winging \underline{T} ype

 $5057 \underline{\hspace{0.05cm} Scaffolding} \underline{\hspace{0.05cm} Concrete \ or \ \underline{\hspace{0.05cm} Cement \ \underline{\hspace{0.05cm} D}} istributing \ \underline{\hspace{0.05cm} Towers} \underline{\hspace{0.05cm} Linital lation}, \ \underline{\hspace{0.05cm} Repair \ or \ \underline{\hspace{0.05cm} Removal}}$

5403—<u>Scaffolding—Sidewalk Bridges not Over one Story in Height</u>

7228—<u>Scaffolding—Delivery of Materials Only—Local Hauling Only—No Installation, Repair or Removal—All Employees & Drivers</u>

7229 <u>Scaffolding Delivery of Materials Only Long Distance Hauling No Installation, Repair or Removal All Employees & Drivers</u>

7219—Scaffolding—Delivery of Materials Only—No Installation, Repair, or Removal—All Employees & Drivers

CROSS-REF.

SCAFFOLDING—CONCRETE OR CEMENT DISTRIBUTING TOWERS INSTALLATION, REPAIR OR REMOVAL

CROSS-REF.

VAULT CONSTRUCTION OR INSTALLATION

Note: Applies to fire or burglarproof vaults.

Description:

Code 5057 applies to specialist contractors who construct or install fire- or burglarproof vaults. Flat steel plates and angles—properly drilled and ready for assembly—and steel doors are received from others. Usually the reinforced concrete shell is constructed by others and separately classified. However, if these specialist contractors undertake the vault work from beginning to end (i.e., constructing the shell; lifting the wall and ceiling plates into place; securing by bolting, welding or riveting; mounting the doors; and installing the safe deposit boxes), the entire operations would fall within the scope of this classification.

CROSS-REF.

WRECKING—BUILDING OR STRUCTURES—NOT MARINE—ALL OPERATIONS—IRON OR STEEL BUILDINGS OR STRUCTURES

Note: Includes salespersons and clerical at wrecking site.

Description:

Code 5057 applies to the wrecking of iron or steel buildings or structures.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7133 N/A—MN

PHRASEOLOGY

RAILROAD OPERATION: NOC-ALL EMPLOYEES & DRIVERS.

All employees connected with the operation or maintenance of automobile bus lines shall be rated as Code 8385 or 7382—Bus Co.

CROSS-REF.

State Special: California—Railroads—NOC—Operation and Maintenance—All Employees—all employees connected with the operation or maintenance of bus lines shall be separately classified as Gode 7382—Bus or Limousine Operations. Truck delivery of freight shall be separately classified as Gode 7219—Trucking Firms;

New Jersey—Railroad Operation: NOG & Drivers—all employees connected with the operation or maintenance of automobile bus lines shall be separately rated. The classifications for railroad construction and railroad operation do not contemplate insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that act. For such insurance see 3:6 of the NJ Manual; New York—add "Bus Company—Garage Employees" to footnote.

SCOPE

Code 7133 applies to the operation of railroads, including subways. Code 7133 is not applicable does not apply to street railroads or railroads subject to the Federal Employers' Liability Act. The determination of whether a railroad operation is covered under a state act or the Federal Employers' Liability Act is not made by NCCI asbecause NCCI does not provide legal opinions relating to questions of coverage. Street railroads are given the same classification treatment as bus companies, i.e., yard employees are assigned to Code 8385, the classification applicable that applies to garage employees of bus companies, and Code 7382 is assigned to all other employees, which would include operators, or conductors, etc.

Code 7133 principally applies to intrastate railroads that travel to and from given destinations. This classification has also been assigned, by analogy, to the testing of high-speed railroad instruments, the operation of a test train, operating equipment and maintenance of the entire testing facility when done by the manufacturer of the product being tested in a state where the manufacturing operations are not conducted or where the manufacturing operations are self-insured.

Industrial locomotives whose operations are confined to the transit system of an industrial plant fall within the scope of the governing classification of the plant. Scenic railroads located in parks and amusement areas are classified as Code 9180—Amusement Device Operation NOC—Not Traveling & Drivers.

Refer to Code 72197228 for classification procedures for dispatchers.

Code 7133 operations are designated as "not otherwise classified" (NOC). These NOC operations shallwill apply to an insuredemployer only when no other classification more specifically describes the insured'semployer's operations. The following is a representative list of operations somewhat related in nature to Code 7133 operations that are not assigned to Code 7133.

9180	Amusement Device (Scenic Railroads) Operation NOC—Not Traveling & Drivers
6703	Railroad Construction—All Operations <u>Including Clerical</u> , <u>Salespersons & Drivers</u>

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7855	Railroad Construction—Laying or Relaying of Tracks or Maintenance of Way by Contractor—No Work on Elev
7152	Railroad Operation—All Employees Including Drivers
7382	Railroad Operation—Street—All Other Employees & Drivers
8385	Railroad Operation—Street—Yard Employees

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 Gode 7133 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

State Addendum

Massachusetts

The determination of whether a railroad operation is covered under a state act or the Federal Employers' Liability Act is not made by the MA Bureau since the MA Bureau does not provide legal opinions relating to questions of coverage.

EXHIBIT 8 BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7151

PROGRAM I

PHRASEOLOGY

RAILROAD OPERATION—ALL EMPLOYEES INCLUDING DRIVERS.

This classification contemplates the normal operations of railroads including normal maintenance and repair. All extraordinary repair work including such work asrebuilding bridges, grade crossing elimination, laying or relaying track and all new construction operations shall be classified as Code 6702, 6703 or 6704.

CROSS-REF.

See also Codes 7153—Program II—State Act Benefits and 7152—Program II—USL Act Benefits. These codes have the same phraseology.

SCOPE

Code 7151 is applicable applies to employees of interstate railroads which have coverage under the Federal Employers' Liability Act.

Note: The following is a general explanation of the Federal Employers' Liability Act (FELA) and a description of Coverage Programs that pertain to this classification.

The Federal Employers' Liability Act applies to employees of interstate railroads. Such employees are not subject to state workers compensation laws. This federal law imposes liability for damages on the railroad if the injured railroad employee can show any negligence on the part of the railroad. For complete details, see 45 U.S. Code. Sections 51–60, 1970.

Coverage Programs:

Program I—provides, under Part One—Workers Compensation Insurance, statutory liability under the workers compensation law of any state designated in Item 3.A of the Information Page and, under Part Two—Employers Liability Insurance, employers liability for damages under FELA, subject to a standard limit of \$100.000.

Program II—provides the same coverage as Program I, but with the addition of Voluntary Compensation. Under Program II, the insurance carrier will offer a settlement of a claim strictly in accord with the statutory benefits provided in the workers compensation law designated in the voluntary compensation endorsement attached to the policy as if the claim were subject to such law, instead of subject to the laws of negligence. If the offer of settlement is rejected, employers liability then applies to such claim or suit, with the same standard limit as for Program I.

Refer to Code 72197228 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7152

PROGRAM II—USL ACT BENEFITS PHRASEOLOGY

RAILROAD OPERATION—ALL EMPLOYEES INCLUDING DRIVERS.

This classification contemplates the normal operations of railroads including normal maintenance and repair. All extraordinary repair work including such work as rebuilding bridges, grade crossing elimination, laying or relaying track and all new construction operations shall be classified as Code 6702, 6703 or 6704.

CROSS-REF.

See also Codes 7151—Program I and 7153—Program II—State Act Benefits. These codes have the same phraseology.

SCOPE

Code 7152 is applicable applies to employees of interstate railroads that have coverage under the Federal Employers' Liability Act.

Note: The following is a general explanation of the Federal Employers' Liability Act (FELA) and a description of Coverage Programs that pertain to this classification.

The Federal Employers' Liability Act applies to employees of interstate railroads. Such employees are not subject to state workers compensation laws. This federal law imposes liability for damages on the railroad if the injured railroad employee can show any negligence on the part of the railroad. For complete details, see 45 U.S. Code, Sections 51–60, 1970.

Coverage Programs:

Program I—provides, under Part One—Workers Compensation Insurance, statutory liability under the workers compensation law of any state designated in Item 3.A of the Information Page and, under Part Two—Employers Liability Insurance, employers liability for damages under FELA, subject to a standard limit of \$100.000.

Program II—provides the same coverage as Program I, but with the addition of Voluntary Compensation. Under Program II, the insurance carrier will offer a settlement of a claim strictly in accord with the statutory benefits provided in the workers compensation law designated in the voluntary compensation endorsement attached to the policy as if the claim were subject to such law, instead of subject to the laws of negligence. If the offer of settlement is rejected, employers liability then applies to such claim or suit, with the same standard limit as for Program I.

Refer to Code 72197228 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7153

PROGRAM II—STATE ACT BENEFITS PHRASEOLOGY

RAILROAD OPERATION—ALL EMPLOYEES INCLUDING DRIVERS.

This classification contemplates the normal operations of railroads including normal maintenance and repair. All extraordinary repair work including such work as rebuilding bridges, grade crossing elimination, laying or relaying track, and all new construction operations shall be classified as Code 6702, 6703 or 6704.

CROSS-REF.

See also Codes 7151—Program I and 7152—Program II—USL Act Benefits. These codes have the same phraseology.

SCOPE

This classification is applicable applies to employees of interstate railroads that have coverage under the Federal Employers' Liability Act.

Note: The following is a general explanation of the Federal Employers' Liability Act (FELA) and a description of Coverage Programs that pertain to this classification.

The Federal Employers' Liability Act applies to employees of interstate railroads. Such employees are not subject to state workers compensation laws. This federal law imposes liability for damages on the railroad if the injured railroad employee can show any negligence on the part of the railroad. For complete details, see 45 U.S. Code. Sections 51–60, 1970.

Coverage Programs:

Program I—provides, under Part One—Workers Compensation Insurance, statutory liability under the workers compensation law of any state designated in Item 3.A of the Information Page and, under Part Two—Employers Liability Insurance, employers liability for damages under FELA, subject to a standard limit of \$100.000.

Program II—provides the same coverage as Program I, but with the addition of Voluntary Compensation. Under Program II, the insurance carrier will offer a settlement of a claim strictly in accord with the statutory benefits provided in the workers compensation law designated in the voluntary compensation endorsement attached to the policy as if the claim were subject to such law, instead of subject to the laws of negligence. If the offer of settlement is rejected, employers liability then applies to such claim or suit, with the same standard limit as for Program I.

Refer to Code 72197228 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7219

Established: Replaced By:
April 2018 Not Applicable

Discontinued: Retained:
Not Applicable

Not Applicable

NCCI Schedule and Group:
Schedule 32, Group 320

PHRASEOLOGY

TRUCKING NOC-ALL EMPLOYEES & DRIVERS

Note: Storage warehouse employees to be separately rated.

Description:

Code 7219 applies to employers that haul general merchandise under contract for one or more individuals or concerns, provided such operations are not otherwise classified in the manual. The classification includes incidental rigging when performed by these truckers. It is not applied to specialty trucking operations described at the end of this scope.

It should be noted that there is an important distinction between Code 7219 and Code 7380—Drivers, Chauffeurs and Their Helpers—NOC. While both apply only if they are "not otherwise classified" (NOC codes), Code 7219 applies to the transportation of goods not owned by the employer, whereas Code 7380 applies to the driving of vehicles and/or the transportation of goods owned by the employer.

Trucking concerns usually maintain terminals, central loading platforms, or a temporary storage depot where merchandise is stored for a short period pending transfer to another destination. Platform persons that load or unload merchandise, as well as miscellaneous employees such as terminal employees, garage employees, and repairers, are considered an integral part of trucking operations and are assigned to Code 7219.

Additionally, bona fide drivers of employers classified to the stevedoring codes—7309F, 7317F, and 7327F—or the freight-handling codes—7350F and 7360—are assigned to Code 7219.

When trucking operations constitute a secondary business conducted as a separate undertaking or enterprise, the payroll of an individual may be divided and allocated to a classification other than Code 7219. This may occur when employers use their trucks during a portion of a trip to haul goods owned by them and use the same vehicles on another portion of the trip to haul goods owned by others. Provided that **Basic Manual** rules are met, Code 7219 or another appropriate trucking code applies when the employer hauls goods belonging to others on one portion of a trip. Code 7380 or another appropriate class that includes drivers may be assigned to that portion of the trip devoted exclusively to hauling goods owned by the employer.

Also, Code 7219 includes automobile haulaway or driveaway operations when such operations are performed by specialists having no equity in the automobiles so transported.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Code 7219 is also applied to employers that haul explosives or ammunition under contract for one or more individuals or concerns.

Code 7219 also applies to drivers of concrete ready-mix operations when the materials are not owned by the employer, either while in storage or in transit. When the employer's contract involves only trucking of premixed concrete ingredients or trucking including the concurrent concrete mixing in transit, all operations incidental to the loading of trucks and delivery of concrete are assigned to Code 7219.

Refer to Code 6216 for employers that perform tank truck operations servicing oil well sites.

Mobile home delivery by specialist contractors falls within this scope.

Special Conditions:

- 1. If it can be established that a trucker spends a majority of driving time in a specific state, the trucker's payroll will be assigned to that state.
- 2. If a base terminal or state of majority driving time cannot be established and the trucker is traveling from their state of residence, payroll will be assigned to the trucker's state of residence.

When trucking operations constitute a secondary business conducted as a separate undertaking or enterprise, the payroll of an individual may be divided and allocated to a classification other than Code 7219. This may occur when employers use their trucks during a portion of a trip to haul goods owned by them and use the same vehicles on another portion of the trip to haul goods owned by others. Provided that **Basic Manual** rules are met, Code 7219 or another appropriate trucking code applies when the employer hauls goods belonging to others on one portion of a trip. Code 7380 or another appropriate class that includes drivers may be assigned to the portion of the trip devoted exclusively to hauling goods owned by the employer.

Extraterritorial Classification Guidelines:

The following material was developed by NCCI to be used as a guide by auditors and underwriters in the determination of premium for trucking with extraterritorial employments where no company guidelines have been established for this purpose.

The payroll of drivers, chauffeurs, and helpers for truckers will be assigned to the state in which the base terminal from which they load, unload, store, or transfer freight on a regular basis is located. Example: A trucker residing in State A has a base terminal in State B. If the driver travels regularly to the base terminal in State B to load or unload freight, the trucker's payroll will be assigned to State B. When the driver, chauffeur, or helper does not operate from a base terminal, a determination will be made as to where the exposure lies. In that case, payroll will be assigned as follows:

For purposes of these procedures, the following definitions apply:

Base Terminal: A permanent location with central loading docks and/or storage facilities where a trucker regularly goes to load, unload, store, or transfer freight.

State of Residence: The state in which the trucker resides as evidenced by the location used for the filing of federal income tax.

Regular: A pattern of 40 hours per week or any other pattern that appears on a continual basis.

Trucking operations that are not classified to Code 7219 include Mail, Parcel or Package Delivery (assign Code 7231); Mail, Parcel or Package Delivery—Under Contract with the US Postal Service (assign Code 7232); Oil Field Equipment (assign Code 7222); and Parcel or Package Delivery from retail stores to customers under long-term contracts (assign Code 7230). In view of restrictions for these codes, their scopes should be carefully reviewed to determine whether or not Code 7219 may still apply to operations of this nature.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Code 7219 includes incidental rigging that is performed by truckers that are not in the business of rigging but may perform these activities as an accommodation on an infrequent basis. Code 7219 does not apply to the specialty trucking operations that follow with the exception of the entry that references this code:

- 9534 Suspended or Swinging Scaffold Installation, Repair or Removal
- 9534 Outrigger Scaffold Installation, Repair or Removal
- 5057 Scaffold Installation, Repair or Removal Built Up From the Ground—Not Suspended or Swinging Type
- 5057 Concrete or Cement Distributing Towers Installation, Repair or Removal
- 5403 Sidewalk Bridges Not Over One Story in Height

DISPATCHERS—CLASSIFICATION PROCEDURE FOR:

Dispatchers are employees that send aircraft, automobiles, trucks, trains, or vessels to specific destinations. The title "dispatcher" does not in and of itself qualify an employee so designated to be automatically classified to Code 8810—Clerical. As with any other clerical assignment, the employee who is being considered for assignment to Code 8810 must meet **Basic Manual** requirements for assignment to this classification. In the event that a dispatcher does not qualify for assignment to Code 8810, the dispatcher is classified to the appropriate basic classification(s) that applies to the business.

CROSS-REF.

AUTOMOBILE HAULAWAY OR DRIVEAWAY—ALL EMPLOYEES & DRIVERS

CROSS-REF.

SCAFFOLDING—DELIVERY OF MATERIALS ONLY—NO INSTALLATION, REPAIR, OR REMOVAL—ALL EMPLOYEES & DRIVERS

CROSS-REF.

SNOW REMOVAL—HAULING SNOW UNDER CONTRACT—NO SNOW CLEARING—ALL EMPLOYEES & DRIVERS

CROSS-REF.

TRUCKING—HAULING EXPLOSIVES OR AMMUNITION—ALL EMPLOYEES & DRIVERS

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7225

Established: Replaced By:

April 2018 Not Applicable

Discontinued: Retained:

Not Applicable

Not Applicable

NCCI Schedule and Group:

Schedule 32, Group 320

PHRASEOLOGY

AUTOMOBILE TOWING & DRIVERS

Note: Includes towing or wrecker companies, road rangers, or freeway patrol companies providing towing, roadside service, or repairs, and automobile recovery or repossession companies. Includes mechanics and the operation of an impound lot operated by a towing company.

<u>Types of vehicles towed include, but are not limited to, passenger cars, pickup trucks, semi-tractors, medium-duty trucks, recreational vehicles, trailers, boats, and motorcycles.</u>

Description:

Code 7225 applies to automobile towing companies. Automobile towing companies include towing or wrecker companies, road rangers, or freeway patrol companies providing towing, roadside service, or repairs, and automobile recovery or repossession companies. Mechanics, terminal employees, and the operation of an impound lot operated by a towing company are included.

Towing vehicles include, but are not limited to, hook and chain tow trucks, wheel lift tow trucks, and rollback or flatbed tow trucks. This code also includes towing or recovery of construction or agricultural equipment when done using the aforementioned towing vehicles.

Related Operations Not Classified to Code 7225:

- Refer to Code 7219 for automobile transport, delivery, and driveaway operations. This applies to either enclosed or open air carriers.
- Refer to Code 8392—Automobile Storage Garage, Parking Lot or Parking Station, Valet Service, Cashiers or Counter Personnel & Drivers
- Refer to the following codes for automobile repair operations:
 - Code 8380—Automobile Service or Repair Center & Drivers
 - Code 8393—Automobile Body Repair

Automobile repair centers, service stations, gas stations, parking facilities, etc. must separately rate towing for others and roadside assistance to Code 7225.

DISPATCHERS—CLASSIFICATION PROCEDURE FOR:

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Dispatchers are employees that send aircraft, automobiles, trucks, trains, or vessels to specific destinations. The title "dispatcher" does not in and of itself qualify an employee so designated to be automatically classified to Code 8810—Clerical. As with any other clerical assignment, the employee who is being considered for assignment to Code 8810 must meet **Basic Manual** requirements for assignment to this classification. In the event that a dispatcher does not qualify for assignment to Code 8810, the dispatcher is classified to the appropriate basic classification(s) that applies to the business.

CROSS-REF.

ROADSIDE ASSISTANCE & DRIVERS

Note: <u>Includes operations such as road rangers or freeway patrol companies providing roadside service,</u> repairs, or assistance regardless of whether or not towing services are offered.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7228

•
•
le and Group:
Group 320

PHRASEOLOGY

TRUCKING: LOCAL HAULING ONLY-ALL EMPLOYEES AND DRIVERS

Note: The term "local hauling" as used in this classification means hauling within a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" as used above means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Storage warehouse employees to be separately rated.

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.)
484110—General Freight Trucking, Local

Description:

Gode 7228 is applicable to insureds engaged in local hauling of general merchandise provided such operations are not otherwise classified. Please refer to the phraseology above for the definition of local hauling as it pertains to Gode 7228. All references to operations contemplated by Gode 7228 which are noted in this scope, assume that the described operation is being conducted within the required 200 mile radius.

The term "radius" refers to the generally accepted mathematical definition of this term. When determining the radius of a trip, assume that the location where a vehicle is principally garaged is the center of a circle; then measure the distance in a straight line from the point of principal garaging to the furthest point traveled for a trip. If the distance is 200 miles or less, the trip is considered local; if the distance is greater than 200 miles, the trip is considered long haul. A truck that travels 250 miles on one continuous trip, making stops along the way, is considered to be a local trucker if no point in the trip exceeded a distance of 200 miles in a straight line from the point of principal garaging. Note that in this example, even though the total miles for the trip exceeded 200 miles, at no point during the trip did the truck travel in excess of a 200 mile radius from the starting point.

Trucking concerns usually maintain terminals, central loading platforms or a temporary storage depot where merchandise is stored for a short period pending transfer to another destination. Platform persons engaged in loading or unloading merchandise as well as miscellaneous employees such as terminal employees,

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

garage employees and repairers are considered an integral part of trucking operations and are assigned to Gode 7228.

Additionally, bona fide drivers of insureds classified under the stevedoring codes, 7309F, 7317F and 7327F or the freight handling codes, 7350F and 7360, are assigned to Code 7228.

Analogy Assignments:

Gode 7228 is also applied to insureds engaged in hauling explosives or ammunition for one or more individuals or concerns.

Gode 7228 also applies to drivers of ready mix concrete operations when the materials are not owned by the insured either while in storage or in transit. When the insured's contract involves only trucking of premixed concrete ingredients or trucking including the concurrent concrete mixing in transit, all operations incidental to the loading of trucks and delivery of concrete are assigned to Gode 7228. Refer to Gode8232—Goncrete: Ready Mix Dealer & Yard Employees, Drivers for additional classification procedures applicable to ready mix concrete dealers.

Mobile home delivery by an outside trucking company falls within this scope. Setup, hookup, or installation work done on manufactured homes (also known as mobile homes) or modular homes must be assigned to Gode 2799. Delivery performed by the manufacturer is included in Gode 2797.

Additional Applications and Information:

It should be noted that an important distinction between Gode 7228 and Gode 7380—Chauffeurs and Their Helpers— NOC, is that Gode 7228 is applicable to the transportation of goods not owned by an insured, whereas Gode 7380 is applicable to the driving of vehicles and/or the transportation of goods owned by the insured.

Special Conditions:

When trucking operations constitute a secondary business conducted as a separate undertaking or enterprise, the payroll of an individual may be divided and allocated to a classification other than Gode 7228. This may occur when insureds use their trucks during a portion of a trip to haul goods owned by the insured and use the same vehicles on another portion of the trip to haul goods owned by others. Provided **Basic Manual** rules are met, Gode 7228 or another appropriate trucking code is applicable when the insured hauls goods belonging to others on one portion of a trip, and Gode 7380 or another applicable class that includes drivers may be assigned to that portion of the trip devoted exclusively to hauling goods owned by the insured.

Extra-Territorial Classification Guidelines:

The following material was developed by NCCI to be used as a guide by auditors and underwriters in the determination of premium for trucking with extra-territorial employments where no company guidelines have been established for this purpose.

The payroll of drivers, chauffeurs, and helpers for truckers shall be assigned to the state in which the base terminal from which they load, unload, store or transfer freight on a regular basis is located. Example: A trucker residing in State A has a base terminal in State B. If the driver travels regularly to the base terminal in State B to load or unload freight, the trucker's payroll shall be assigned to State B. When the driver, chauffeur or helper does not operate from a base terminal, a determination shall be made as to where the exposure lies. In that case, payroll shall be assigned as follows:

- 1. If it can be established that a trucker spends a majority of driving time in a specific state, the trucker's payroll shall be assigned to that state.
- 2. If a base terminal or state of majority driving time cannot be established and the trucker is traveling from their state of residence, payroll shall be assigned to the trucker's state of residence.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

For purposes of these procedures, the following definitions shall apply:

Base Terminal: A permanent location with central loading docks and/or storage facilities where a trucker regularly goes to load, unload, store or transfer freight.

State of Residence: The state in which the trucker resides as evidenced by the location used for the filing of federal income tax.

Regular: A pattern of 40 hours per week or any other pattern that appears on a continuing basis.

Trucking operations which are not classified to Gode 7228 include Long Distance Hauling (assign Gode 7229); Mail, Parcel or Package Delivery (assign Gode 7231); Mail, Parcel or Package Delivery—Under Contract with the U.S. Postal Service (assign Gode 7232); Oil Field Equipment (assign Gode 7222); and Parcel or Package Delivery from retail stores to customers under long term contracts (assign Gode 7230). In view of restrictions for these codes, their scopes should be carefully reviewed to determine whether or not Gode 7228 may still be applicable to operations of this nature.

Gode 7228 includes incidental rigging that is performed by truckers that are not engaged in the business of rigging but may engage in these activities as an accommodation on an infrequent basis. Gode 7229 is not applicable to the specialty trucking operations that follow with the exception of the entry that references this code:

- 9534 Suspended or Swinging Scaffold Installation, Repair or Removal
- 9534 Outrigger Scaffold Installation, Repair or Removal
- 5057 Scaffold Installation, Repair or Removal Built Up From the Ground—Not Suspended or Swinging Type
- 5057 Concrete or Cement Distributing Towers Installation, Repair or Removal
- 5403 Sidewalk Bridges Not Over One Story in Height
- 7228 Delivery of Materials Only—No Installation, Repair or Removal

As stated previously, all references to the assignment of Gode 7228 in this scope assume that the described operations take place within the required 200 mile radius.

DISPATCHERS—CLASSIFICATION PROCEDURE FOR:

Dispatchers are employees that send aircraft, automobiles, trucks, trains, or vessels to specific destinations. The title "dispatcher" does not in and of itself qualify an employee so designated to be automatically classified to Gode 8810—Clerical. As with any other clerical assignment, the employee who is being considered for assignment to Gode 8810 must meet **Basic Manual** requirements for assignment to this classification. In the event a dispatcher does not qualify for assignment to Gode 8810, the dispatcher is classified to the appropriate basic classification(s) applicable to the business.

Related Operations Not Classified to Gode 7228:

Please refer to Gode 7229 for long distance hauling operations. Both Godes 7228 and 7229 may be assigned to a single entity provided that the conditions of **Basic Manual** Rule 1–D-3 are met.

GROSS-REF.

AUTOMOBILE: HAULAWAY OR DRIVEAWAY-LOCAL HAULING ONLY-ALL EMPLOYEES & DRIVERS

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

GROSS-REF.

AUTOMOBILE: TOWING COMPANIES—LOCAL HAULING ONLY—NO OTHER OPERATIONS—ALL EMPLOYEES & DRIVERS

Description:

Insureds engaged solely in towing automobiles, trucks, tractors, or semitrailers fall within the scope of Code 7228 provided they do not perform any other operations. Also, Code 7228 contemplates automobile haulaway or driveaway operations when such operations are performed by specialists having no equity in the automobiles so transported.

Risks engaged in automobile repossessing operations such as those performed under contract with banks, credit unions or automobile sales agencies are additionally contemplated by Gode 7228.

GROSS-REF.

SCAFFOLDING: DELIVERY OF MATERIALS ONLY—LOCAL HAULING ONLY—NO INSTALLATION, REPAIR OR REMOVAL

CROSS-REF.

SNOW REMOVAL: HAULING SNOW UNDER GONTRAGT—LOGAL HAULING ONLY—NO SNOW GLEARING—ALL EMPLOYEES & DRIVERS

CROSS-REF.

TRUCKING: HAULING EXPLOSIVES OR AMMUNITION—LOCAL HAULING ONLY—ALL EMPLOYEES & DRIVERS

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7229

Established:	Replaced By:
October 1996	Not Applicable
Discontinued:	Retained:
Not Applicable	Not Applicable
	NGCI Schedule and Group:
	Schedule 32, Group 320

PHRASEOLOGY

TRUCKING: LONG DISTANCE HAULING-ALL EMPLOYEES AND DRIVERS

Note: The term "long distance hauling" as used in this classification means hauling outside a radius of two hundred (200) miles from the point of principal garaging. The term "principal garaging" as used above means base terminal. When a base terminal is not utilized, principal garaging means a permanent maintenance garage where vehicles are serviced or stored on a regular basis. When a permanent maintenance garage is not utilized, principal garaging means the residence of the employee. Storage warehouse employees to be separately rated.

NAICS Gode(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.)
484122—General Freight Trucking, Long Distance, Less Than Truckload

Description:

Code 7229 is applicable to insureds engaged in long distance hauling of general merchandise provided such operations are not otherwise classified. Please refer to the phraseology above for the definition of long distance hauling as it pertains to Code 7229. All references to operations contemplated by Code 7229 which are noted in this scope assume that the described operation is being conducted outside the required 200 mile radius.

The term "radius" refers to the generally accepted mathematical definition of this term. When determining the radius of a trip, assume that the location where a vehicle is principally garaged is the center of a circle; then measure the distance in a straight line from the point of principal garaging to the furthest point traveled for a trip. If the distance is 200 miles or less, the trip is considered local; if the distance is greater than 200 miles, the trip is considered long haul. A truck that travels 250 miles on one continuous trip, making stops along the way, is considered to be a local trucker if no point in the trip exceeded a distance of 200 miles in a straight line from the point of principal garaging. Note that in this example, even though the total miles for the trip exceeded 200 miles, at no point during the trip did the truck travel in excess of a 200 mile radius from the starting point.

Trucking concerns usually maintain terminals, central loading platforms or a temporary storage depot where merchandise is stored for a short period pending transfer to another destination. Platform persons engaged in loading or unloading merchandise as well as miscellaneous employees such as terminal employees,

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

garage employees and repairers are considered an integral part of trucking operations and are assigned to Gode 7229.

Additionally, bona fide drivers of insureds classified under the stevedoring codes, 7309F, 7317F and 7327F, or the freight handling codes, 7350F and 7360, are assigned to Code 7229.

Analogy Assignments:

Gode 7229 is also applied to insureds engaged in hauling explosives or ammunition for one or more individuals or concerns.

Gode 7229 also applies to drivers of ready mix concrete operations when the materials are not owned by the insured either while in storage or in transit. When the insured's contract involves only trucking of premixed concrete ingredients or trucking including the concurrent concrete mixing in transit, all operations incidental to the loading of trucks and delivery of concrete are assigned to Gode 7229. Refer to Gode 8232—Goncrete: Ready Mix Dealer & Yard Employees, Drivers for additional classification procedures applicable to ready mix concrete dealers.

Mobile home delivery by an outside trucking company falls within this scope. Setup, hookup, or installation work done on manufactured homes (also known as mobile homes) or modular homes must be assigned to Gode 2799. Delivery performed by the manufacturer is included in Gode 2797.

Additional Applications and Information:

It should be noted that an important distinction between Code 7229 and Code7380 — Drivers, Chauffeurs and Their Helpers— NOC, is that Code 7229 is applicable to the transportation of goods not owned by an insured, whereas Code 7380 is applicable to the driving of vehicles and/or the transportation of goods owned by the insured.

Special Conditions:

When trucking operations constitute a secondary business conducted as a separate undertaking or enterprise, the payroll of an individual may be divided and allocated to a classification other than Gode 7229. This may occur when insureds use their trucks during a portion of a trip to haul goods owned by the insured and use the same vehicles on another portion of the trip to haul goods owned by others. Provided Basic Manual rules are met, Code 7229 or another appropriate trucking code is applicable when the insured hauls goods belonging to others on one portion of a trip, and Code 7380 or another applicable class that includes drivers may be assigned to that portion of the trip devoted exclusively to hauling goods owned by the insured.

Extra-Territorial Classification Guidelines:

The following material was developed by NCCI to be used as a guide by auditors and underwriters in the determination of premium for trucking with extra-territorial employments where no company guidelines have been established for this purpose.

The payroll of drivers, chauffeurs, and helpers for truckers shall be assigned to the state in which the base terminal from which they load, unload, store or transfer freight on a regular basis is located. Example: A trucker residing in State A has a base terminal in State B. If the driver travels regularly to the base terminal in State B to load or unload freight, the trucker's payroll shall be assigned to State B. When the driver, chauffeur or helper does not operate from a base terminal, a determination shall be made as to where the exposure lies. In that case, payroll shall be assigned as follows:

- 1. If it can be established that a trucker spends a majority of driving time in a specific state, the trucker's payroll shall be assigned to that state.
- 2. If a base terminal or state of majority driving time cannot be established and the trucker is traveling from their state of residence, payroll shall be assigned to the trucker's state of residence.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

For purposes of these procedures, the following definitions shall apply:

Base Terminal: A permanent location with central loading docks and/or storage facilities where a trucker regularly goes to load, unload, store or transfer freight.

State of Residence: The state in which the trucker resides as evidenced by the location used for filing federal income tax.

Regular: A pattern of 40 hours per week or any other pattern that appears on a continuing basis.

Trucking operations which are not classified to Code 7229 include mail, parcel or package delivery (assign Code 7231); mail, parcel or package delivery—under contract with the U.S. Postal Service (assign Code 7232); oil field equipment (assign Code 7222); and parcel or package delivery from retail stores to customers under long term contracts (assign Code 7230). In view of restrictions for these codes, their scopes should be carefully reviewed to determine whether or not Code 7229 may still be applicable to operations of this nature.

Gode 7229 includes incidental rigging that is performed by truckers that are not engaged in the business of rigging but may engage in these activities as an accommodation on an infrequent basis. Gode 7229 is not applicable to the specialty trucking operations that follow with the exception of the entry that references this code:

- 9534 Suspended or Swinging Scaffold Installation, Repair or Removal
- 9534 Outrigger Scaffold Installation, Repair or Removal
- 5057 Scaffold Installation, Repair or Removal Built Up From the Ground—Not Suspended or Swinging Type
- 5057 Concrete or Cement Distributing Towers Installation, Repair or Removal
- 5403 Sidewalk Bridges Not Over One Story in Height
- 7229 Delivery of Materials Only—No Installation, Repair or Removal

As stated previously, all references to the assignment of Gode 7229 in this scope assume that the described operations take place outside the required 200-mile radius.

Refer to Code 7228 for classification procedures for dispatchers.

Related Operations Not Classified to Code 7229:

Please refer to Gode 7228 for local hauling operations. Both Godes 7228 and 7229 may be assigned to a single entity provided that the conditions of **Basic Manual** Rule 1-D-3 are met.

GROSS-REF.

AUTOMOBILE: HAULAWAY OR DRIVEAWAY—LONG DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

GROSS-REF.

AUTOMOBILE: TOWING COMPANIES—LONG HAUL—NO OTHER OPERATIONS—ALL EMPLOYEES & DRIVERS

Description:

Insureds engaged solely in towing automobiles, trucks, tractors, or semitrailers fall within the scope of Gode 7229 provided they do not perform any other operations. Also, Gode 7229 contemplates automobile haulaway or driveaway operations when such operations are performed by specialists having no equity in the automobiles so transported.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Risks engaged in automobile repossessing operations such as those performed under contract with banks, credit unions or automobile sales agencies are additionally contemplated by Code 7229.

GROSS-REF.

SCAFFOLDING: DELIVERY OF MATERIALS ONLY—LONG DISTANCE HAULING—NO INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS

CROSS-REF.

SNOW REMOVAL: HAULING SNOW UNDER CONTRACT—LONG DISTANCE HAULING—NO SNOW CLEANING—ALL EMPLOYEES & DRIVERS

GROSS-REF.

TRUCKING: HAULING EXPLOSIVES OR AMMUNITION—LONG DISTANCE HAULING—ALL EMPLOYEES & DRIVERS

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7230 N/A—GA. NY

PHRASEOLOGY

TRUCKING:—PARCEL OR PACKAGE DELIVERY—ALL EMPLOYEES & DRIVERS.

Applies to risks engaged exclusively in delivery from retail stores under term contracts.

GROSS-REF.

State Special: Massachusetts — Trucking: Parcel or Packaging Delivery — All Employees & Drivers — applies to risks engaged exclusively in delivery from retail stores under term contracts and may be used only upon specific assignment of the MA Bureau.

New Jersey—Parcel or Package Delivery—& Drivers—applies to risks engaged exclusively in delivery from retail stores under term contracts. May be used only upon specific approval of the rating bureau. Classification subject to the provisions set forth in 4:2 of the NJ Manual under "truckmen."

SCOPE

Code 7230 applies to risks engaged employers exclusively in performing delivery of merchandise from retail stores to the stores' customers. There is no size or weight requirement for types of goods that are delivered.

To qualify for Code 7230, an <u>insured employer</u> must not <u>engage in perform</u> general trucking activities such as the delivery of goods for the public at large. Refer to either Code <u>72197228</u>, 7229 or other trucking classifications which that may be appropriate for this type of service.

Code 7230 includes miscellaneous employees such as terminal or garage employees.

Refer to Code 72197228 for classification procedures for dispatchers.

State Addendum

Massachusetts

To qualify for Gode 7230, an insured must not engage in general trucking activities such as the delivery of goods for the public at large. Refer to Gode 7219 or other trucking classifications that may be appropriate for this type of service.

Codes 7228 and 7229 are not available (N/A MA).

Refer to Gode 7219 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7231

States Not Applicable:

Not Applicable GA, TX

Not Applicable

Established:

April 1981

Discontinued:

Not Applicable

NCCI Schedule and Group:

Schedule 32, Group 320

PHRASEOLOGY

MAIL, PARCEL OR PACKAGE DELIVERY AND COURIER OR MESSENGER SERVICE COMPANIES—ALL EMPLOYEES & DRIVERS

Note: Applies to those insureds who deliver and, as a messenger and courier service of nonowned mail, parcels, or packages or under contract with private enterprises, provide a pickup and delivery service for mail consisting of small individual parcels or packages in addition to envelopes. Mail, parcels, or packages, as shown in the classification phraseology, refers to those items where the delivery tariff or charge is allocable to the individual envelope, parcel, or package. This classification would not be applicable to truckers hauling packaged goods or merchandise where the haulage or transport charge is based on a truckload or partial truckload, the cumulative weight of the packages and/or parcels being transported, or a flat contract price for the consignment. The term "local" is intended to limit the radius of operations to that which would permit a driver to complete the assigned deliveries and return to the point of dispatch within the normal workday.

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.)
492110—Couriers

Description:

Code 7231 is intended to apply to those insureds who employers that deliver and, as a messenger and courier service of nonowned mail, parcel, or packages, or under contract with private enterprises, provide a pickup and delivery service for mail consisting of small individual parcels or packages in addition to envelopes. These items are usually picked up at post offices and delivered to the customer's location. However, these insuredsemployers also, as a contract messenger and courier service, deliver nonowned items or pick up mail or parcels from their customers and deliver to locations specified by the customer, performing a local delivery service comparable to that provided by the US Postal Service.

Please refer to this classification's phraseology above for additional requirements that an <u>insuredemployer</u> must meet to qualify for Code 7231. An important distinction between Code 7380—Drivers, <u>Gchauffeurs</u>, <u>Mmessengers and Ttheir Hhelpers NOC—Commercial and Code 7231 is that messengers and couriers and their Hhelpers NOC—Commercial and Code 7231 is that messengers and couriers</u>

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

assigned to Code 7231 deliver nonowned goods whereas Code 7380 is assigned to messengers who deliver owned goods.

Equipment and Materials:

· Hand trucks

Additional Application and Information:

- Although in most instances, private passenger automobiles, station wagons, sedans deliveries, vans, and pickup trucks will be used there is no specific restriction to the type of motor vehicle used for the delivery operations.
- This classification also includes mechanics and garage employees who maintain, service, or repair the equipment.

Special Conditions:

 Employees who deliver mail, parcels, or packages by foot or public transportation are assigned to the governing code of the employer-

Related Operations Not Classified to Code 7231:

- Refer to Code 7232 for risksemployers engaged in mail, parcel, or package delivery under contract to the US Postal Service.
- Refer to Code 72197228 for classification procedures for dispatchers.
- Refer to Gode 7228 or Gode 7229 for deliveries made by semi-tractor trailers.
- Refer to Code 7380 for deliveries of owned goods.

GROSS-REF.

MAIL, PARCEL OR PACKAGE DELIVERY AND COURIER OR MESSENGER SERVICE COMPANIES—ALL EMPLOYEES & DRIVERS

(N/A MA, VA)

Note: Applies to couriers, messengers, and others who deliver nonowned envelopes, parcels or packages exclusively for local delivery. Mail, parcels, or packages, as shown in the classification phraseology, refers to those items where the delivery tariff or charge is allocable to the individual envelope, parcel, or package. This classification would not be applicable to truckers hauling packaged goods or merchandise where the haulage or transport charge is based on a truckload or partial truckload, the cumulative weight of the packages and/or parcels being transported or a flat contract price for the consignment. The term "local" is intended to limit the radius of operations to that which would permit a driver to complete the assigned deliveries and return to the point of dispatch within the normal workday.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7232 N/A—HI: MA: NJ: NY

PHRASEOLOGY

TRUCKING: MAIL, PARCEL OR PACKAGE DELIVERY—UNDER CONTRACT WITH THE U.S. POSTAL SERVICE—ALL EMPLOYEES & DRIVERS.

Applies to <u>risksemployers</u> engaged under contract to the U-S- Postal Service for delivery of mail involving letters, parcels, packages, sacks, pallets, and rolling containers. Includes U-S- Postal Service contract mail delivery performed on a bulk basis,, as well as on an individual letter, parcel,, or package basis.

GROSS-REF.

State Special: California Mail Delivery Service Companies—firms operating under contract to the United States Postal Service—all employees. Mail delivery operations which are not performed under contract to the United States Postal Service shall be separately classified.

SCOPE

Code 7232 is applicable to trucking <u>risksemployers</u>employers engaged in parcel or package delivery under contract to the U-S- Postal Service. Risks contemplated by Employers assigned to this classification may operate on either an intrastate or interstate basis. The contract mail haulers may operate tractor trailers, trucks, and/or light vehicles. The classification contemplates includes bulk delivery of mail, as well as the delivery of individual letters, parcels, or packages to individual residences or businesses. Contract mail haulers will also transport mail, often along a designated route to or between designated postal or other facilities. Code 7232 also includes mechanics and garage employees who maintain, service, and repair equipment used by the contract mail hauler.

Refer to Codes <u>72197228</u>, <u>7229</u> or 7231 for mail, parcel, or package operations <u>whichthat</u> are not under contract with the U.S. Postal Service.

Refer to Code 72197228 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7380

Established: Replaced By:
July 1953 Not Applicable

Discontinued: Retained:
Not Applicable

Not Applicable

Not Applicable

NCCI Schedule and Group:
Schedule 32, Group 320

PHRASEOLOGY

DRIVERS, CHAUFFEURS, MESSENGERS, AND THEIR HELPERS NOC-COMMERCIAL

Note: Subject to Rule 1-B-2. Messenger and courier deliveries of owned documents or goods made by foot or public transportation are assigned to the governing class code.

Description:

Code 7380 is applied to commercial drivers, chauffeurs, messengers, and their helpers provided they are not otherwise classified in the **Basic Manual**. These employees are common to many businesses and are Standard Exceptions assigned to Code 7380 unless they are specifically included within the phraseology of a basic classification applicable to a risk that applies to an employer.

The term "drivers" refers to employees who engage in duties on or in connection with vehicles and includes drivers, chauffeurs, messengers, drivers' helpers, garage employees, stable hands, and employees using bicycles in their operations.

Code 7380 is not intended for drivers (chauffeurs) employed by insureds engaged employers that are in the business of transporting the public. Chauffeurs assigned to Code 7380 are drivers who are not employed by a risk an employer classified as a public transportation operation but who may transport people. An example of this would be a bus driver employed by a financial institution to transport its employees between various sites at which the financial institution does business. For classification purposes, this driver is assigned to Code 7380 since he/she is a chauffeur for an insured employer that is not in the business of providing transportation to the public.

Code 7380 is applied to messengers or couriers who deliver mail, parcels, or packages by driving or bicycling. Drivers, chauffeurs, messengers, and/or their helpers may perform these duties for more than one classification that is applicable applies to their employer's operations. Provided the conditions of **Basic Manual** Rule 2-G are met, pay earned for these duties may be allocated between each applicable classification for which these employees earn pay. If drivers, chauffeurs, messengers, and/or their helpers perform these duties for a classification that does not include drivers, pay earned for work performed for that classification is assigned to an appropriate drivers, chauffeurs, messengers, and helpers classification such as Code 7380. If drivers, chauffeurs, messengers, and/or their helpers perform these duties for a classification that does include drivers, pay earned for these duties is assigned to such classification.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

An important distinction between Code 7380 and trucking classifications such as Code 7219 7228 and Gode 7229 is that trucking classifications are generally applicable applies to the transportation of goods not owned by an insured employer, whereas Code 7380 generally is applicable to the driving of vehicles and/or the transportation of goods owned by an insured employer.

Building raising or moving operations should be assigned in the following manner, provided payroll separation is maintained:

- 5403 —carpentry operations on commercial structures
- 5645 —carpentry operations on residential structures
- 5213 —concrete operations on commercial sites
- 5221 —concrete operations on residential structures
- 5703 —drivers who transport the structure on trailers, dollies, bearings, etc.
- 6217 —excavation operations
- 5057 —iron or steel operations
- 5022 —masonry operations
- 6003 —pile driving operations that underpin, raise, or stabilize a foundation
- 7380 —pilot car duties that do not remove or move obstacles
- 5703 —pilot car duties that remove or move obstacles

When no separation of payroll exists, the payroll for the entire operation must be assigned to Code 5703 or the highest rated classification applicable that applies, whichever is greater.

Equipment and Materials:

- Automobiles
- Bicycles
- Public transportation
- Hand trucks

Additional Applications and Information:

- Code 7380 includes school bus drivers employed by school districts that operate their own buses.
- Traveling receipts collectors of highway toll roads
- Drivers of mobile units in connection with U.S.O. activities performed by participating charitable organizations
- Mobile food or ice cream vendors and bookmobile drivers

Special Conditions:

The following classification procedure is applicable applies to Concrete Ready Mix Dealers:

Trucks operated to supply construction work by the <u>insured</u> <u>employer</u> either carrying premixed concrete or mixing the ingredients during transit.

- 1. Drivers or Chauffeurs—assign Code 7380 unless in connection with work covered by a classification that includes Drivers or Chauffeurs as in the case of "Street or Road Construction."
- 2. Employees at a yard engaged in mixing that mix the concrete prior to transit or loading trucks with ingredients to be mixed during transit—assign Code 8227.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Trucks operated to supply construction work undertaken by independent contractors either carrying premixed concrete or mixing the ingredients during transit.

- 1. Materials owned by the <u>insured employer</u> while in transit or, in other words, where the <u>insured's employer's</u> contract involves payment for materials, mixing and trucking: all operations incidental to premixing the concrete or loading ingredients into trucks that will mix during transit and trucking to location—assign Code 8232.
- 2. Materials not owned by the <u>insured employer</u> either in storage or while in transit—where the <u>insured's employer's</u> contract involves only trucking of premixed ingredients or trucking including the concurrent mixing in transit: all operations incidental to loading trucks and delivering concrete—assign Code 72197228 or Code 7229.

Related Operations Not Classified to Code 7380:

- Refer to Codes 7705, 7711, 7370, and 7382 for drivers or chauffeurs employed by <u>insureds employers</u> that qualify to be classified as ambulances, bus companies, limousine services, taxis, and other forms of public vehicular transportation.
- Refer to Code 7219 7228 classification procedures for dispatchers.
- Messenger and courier deliveries made by foot or public transportation are assigned to the governing class code.
- School bus drivers employed by independent contractors, not school districts, are classified to Code 7382.
- An outside salesperson who may occasionally make a courtesy delivery as an accommodation to a
 customer is assigned to Code 8742. Outside salespersons who deliver merchandise are assigned to
 the classification applicable to the particular risk's that applies to the employer's drivers even though
 they also collect or sell.

Code 7380 is a "not otherwise classified" (NOC) classification. This means that Code 7380 shall apply applies to an insured's employer's operation(s) only when no other classification more specifically describes the insured's employer's operation(s) or when a classification applicable to an insured's that applies to an employer's operation that includes driving does not include the type of driving being performed. The following is a representative list of operations somewhat related in nature to Code 7380 operations that are not assigned to Code 7380. The term "trucking" below refers to the hauling of nonowned goods.

- 7382—Bus Companies & Drivers—All Employees Other Than Garage Employees & Drivers
- 7228 Trucking Local Hauling Only All Employees & Drivers
- 7229 Trucking Long Distance Hauling Only All Employees & Drivers
- 7219—Trucking NOC—All Employees & Drivers
- 7231—Trucking Mail, Parcel or Package Delivery—All Employees & Drivers
- 7232—Trucking Mail, Parcel or Package Delivery Under Contract With the US Postal Service—All Employees & Drivers
- 7222—Trucking Oil Field Equipment—All Employees & Drivers
- 7230—Trucking Parcel or Package Delivery—All Employees & Drivers

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 Gode 7380 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

CROSS-REF.

BANKS AND TRUST COMPANIES: ARMORED CAR OPERATION & DRIVERS

Note: Armored car service risks to be separately rated.

Description:

Additional employees contemplated by included in code 7380 are armored car crews employed by banks and trust companies.

CROSS-REF.

DISTRIBUTING COMPANIES & DRIVERS

Note: Applies to house-to-house delivery of samples, advertising circulars, telephone directories, and similar products when employees are transported to the delivery location in vehicles. If no transportation, assign to governing classes. If no transportation or governing class, payroll shall be assigned to Code 8017.

Description:

Distributing company employees who are transported by vehicle to the area at which they will distribute materials are also included in Code 7380. Examples of materials distributed include samples, advertising circulars, and telephone directories.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7382

PHRASEOLOGY

BUS CO .: ALL OTHER EMPLOYEES & DRIVERS

CROSS-REF.

Limousine Co.:—All Other Employees & Drivers; Railroad Operation:—Street—All Other Employees & Drivers.

SCOPE

Code 7382 is applied to <u>insuredsemployers</u> engaged in the operation of bus companies. This <u>weuld</u> includes transit bus lines, charter buses, tour lines, and airport buses. The classification <u>contemplatesincludes</u> drivers and all employees other than their garage employees, who are separately classified under Code 8385. Bus terminals, when operated by individual bus lines or terminals maintained by associated bus companies, <u>are</u> also <u>are contemplatedincluded</u> within the scope of Code 7382. These insureds employ supervisors, dispatchers, inspectors, and terminal employees such as managers, assistant managers, janitors, and porters or baggage handlers. Ticket sellers may be separately classified under Code 8810, provided they are physically separated and perform no other duties required in the operation of bus terminals. Private bus companies that contract to transport tourists may also employ hostesses, lecturers, or guides. Additionally, drivers of school buses employed by independent contractors engaged in the operations of school buses are assigned to this classification.

Code 7382 <u>is</u> also <u>is</u> also <u>is</u> applied to <u>insuredsemployers</u> engaged in the operation of limousine or livery companies. The classification <u>contemplates includes</u> drivers and all employees other than their garage employees, who are separately classified under Code 8385.

Additionally, Code 7382 is applied to insureds engaged in the operation of applies to employers that operate street railroads. The classification contemplates includes drivers and all employees other than their yard employees, who are classified under Code 8385. Incline railroads and trackless trolleys also are contemplated included within the scope of Code 7382.

Code 7382 is not intended for drivers (chauffeurs) employed by insureds that are not engaged of employers that are not in the business of transporting the public. Please refer to Code 7380—Drivers, Gchauffeurs and their Hhelpers for a description of these chauffeurs and the basis for assigning them to Code 7380.

Pilot cars are vehicles that lead other vehicles down a road. These other vehicles usually transport wide loads such as construction equipment or mobile homes. Insureds in the business of Employers that provideing pilot car services are assigned to Code 7382.

Refer to Code 7370 for taxi companies.

Refer to Code 72197228 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7390 N/A—GA, MA

PHRASEOLOGY

BEER OR ALE DEALER-WHOLESALE & DRIVERS-

Codes 7390 and 2121—Brewery shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

GROSS-REF.

State Special: Montana add to phraseology: Includes salespersons. As noted in the phraseology of the code, outside salespersons and drivers are included within this classification:

New Jersey Ale Dealer Wholesale & Drivers NPD with Gode 2121 Brewery;

New Jersey Beer Dealer Wholesale & Drivers NPD with Gode 2121 Brewery;

Oregon—Beer or Ale Dealer Wholesale—Including Outside Salespersons & Drivers—codes 7390 and 2121 shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

SCOPE

Code 7390 is applied to dealers <u>engaged in performing</u> the wholesale distribution of beer and ale. These alcoholic beverages in bottles, cans, or kegs are purchased by these <u>insuredsemployers</u> from breweries or bottling firms. The cases, cartons, or kegs of beer or ale are usually placed in these dealers' warehouses, some of which may have cold storage facilities, prior to being delivered to their customers, e.g., retail outlets, restaurants, <u>and</u> bars, <u>etc.</u> This classification <u>contemplates includes</u> all warehouse employees, route supervisors, <u>and</u> drivers and their helpers. Also, beer or ale dealers' salespersons who ride in the delivery trucks and take orders and make receipt collections fall within the scope of Code 7390.

Refer to Code 72197228 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7600

PHRASEOLOGY

TELEPHONE OR TELEGRAPH CO:--ALL OTHER EMPLOYEES & DRIVERS.

Includes operation, maintenance, extension of lines, and making of service connection. Not applicable to contractors.

GROSS-REF.

State Special: California Telecommunications Companies All Employees including installation, maintenance, repair and operation of telephone lines and systems, remote transmission sites, and central office switching equipment including shop. This classification applies to ECG licensed telecommunications firms engaged in the provision of wireline, long distance, cellular, radio paging or mobile radio services for customers on a fee basis. Contractors performing services for telecommunications companies shall be separately classified;

Florida Telephone Gable Laying by Specialist Contractor & Drivers—applies to laying of telephone cable by specialist contractor under contract with a telephone company;

Massachusetts Burglar Alarm Installation or Repair & Drivers;

Massachusetts Burglar Alarm System Companies: All Other Employees & Drivers;

Massachusetts Fire Alarm Installation or Repair & Drivers;

Massachusetts Fire Alarm System Companies: All Other Employees & Drivers;

Massachusetts - Intercommunication Systems Installation or Repair & Drivers;

Mentana—Telephone or Telegraph Co.—All Other Employees & Drivers—includes operation, maintenance, extension of lines, and making of service connection. Not applicable to specialist contractors;

New Jersey Cable TV or Cablevision Install & Drivers — applies to customer service connections, maintenance and repair:

New Jersey—Telephone or Telegraph Go & Drivers—includes operation, maintenance, extension of lines and making of service connection. Office or exchange employees & clerical are classified to Gode 8901.

SCOPE

Code 7600 is applied to all employees of telephone or telegraph companies other than those employees working within offices or exchanges. Office or exchange employees are classified to Code 8901. The term "telephone companies" includes cellular phone companies.

This classification includes drivers and all employees involved in the operation and maintenance of lines away from the exchanges including the extension of lines and the making of service connections. Specific operations contemplated by included in Code 7600 include clearing right-of-ways; erecting poles, cross-arms and insulators; stringing overhead lines or lead sheath cables used for multiple circuits; and laying underground cables.

In situations where telephone companies do not maintain exchanges, and their employees hook up their telephone lines to existing telephone company cables whichthat are the property of other telephone companies, and these existing lines are located within manholes, such operations are also contemplated underincluded in Code 7600.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

The employees of television cable companies are subject to a multiple classification procedure as indicated in the table below. Those employees who engage in making service connections to subscribers and maintenance or subsequent extension of lines are assigned by analogy to Code 7600.

The following table indicates the proper classifications applicable that apply to operations performed by cable TV and telephone companies:

Nature of Installation	Television Cable Co.	Telephone Co.	**Specialist Contractor
Main coaxial cable—Overhead only.	7601	7600	7612
Main coaxial cable—Underground only. Cable is laid manually.	7601	7600	7611
Main coaxial cable—Underground only. Cable is laid with automatic equipment.	6325	7600	7611
Main coaxial cable—Both underground and overhead. Underground cable laid manually.	7601	7600	7611 and 7612
Main coaxial cable—Both underground and overhead. Underground cable laid with automatic equipment.	6325/7601*	7600	7611 and 7612
Extension	7600	7600	7613
Line Maintenance	7600	7600	7613
Service Connection	7600	7600	7613

^{*}Codes_7601 and Gode 6325 may be assigned to a television cable company that performs both above—and below-ground cable installation, if the television cable company utilizes automatic equipment to install the underground cable. Considering the self-contained nature of the automatic underground cable laying operation, each type of cable installation is viewed as a separate job or location.

**In the state of Florida, a specialist contractor laying cable under contract with a telephone company shall be classified as Gode 7600.

The term "coaxial cable" used in the above table refers to that line which runs from a receiving dish or tower into a general area. This type of line is also known as a "trunk line."

Distribution lines are lines which run from a trunk line into a particular street. These lines are considered part of the main coaxial cable for classification purposes.

The terms "extension" or "service connection" (also known as service drops) in the above table refer to the installation of TV cable or telephone wires from a distribution line to an individual customer's location to provide that individual customer with service. When a customer subscribes to a service, a connection known as a distribution tap is made at the distribution line. The extension, service connection, or service drop is made from this tap.

Refer to Code 72197228 for classification procedures for dispatchers.

State Addendum

Massachusetts

The following table indicates the proper classification for different types of businesses performing low-voltage cable installation for communication purposes.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in VA)

(Applies in: VA)

Nature of Installation	Television Cable Co.	Telephone G o.	Specialist Contractor
Main coaxial cable—Overhead only.	7601	7600	7601
Main coaxial cable—Underground only. Cable is laid manually.	7601	7600	7601
Main coaxial cable—Underground only. Cable is laid with automatic equipment.	6325	7600	6325
Main coaxial cable—Both underground and overhead. Underground cable laid manually.	7601	7600	7601
Main coaxial cable—Both underground and overhead. Underground cable laid with automatic equipment.	6325/7601*	7600	6325/7601*
Extension	7600	7600	7600
Line Maintenance	7600	7600	7600
Service Connection	7600	7600	7600

^{*} Code 7601 and Code 6325 may be assigned to the same insured on the same policy simultaneously for a contractor who performs both above- and below ground cable installation if the contractor utilizes automatic equipment to install the underground cable. Considering the self-contained nature of the automatic underground cable laying operation, each type of cable installation is viewed as a separate job or location. Refer to Codes 6325, 7600 or 7601 for low voltage communication cable installations conducted by specialist contractors (Codes 7611, 7612 and 7613 are N/A MA). Refer to Code 7219 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7705

States Not Applicable:

Not Applicable

Not Applicable

Retained:

December 1995—VT

April 2008—VA

NCCI Schedule and Group:

PHRASEOLOGY

Not Applicable

AMBULANCE SERVICE COMPANIES AND EMS (EMERGENCY MEDICAL SERVICE) PROVIDERS & DRIVERS

Note: Ambulance service also includes "door through door" nonemergency medical transportation of patients between medical facilities. All other noncertified, nonemergency transports to be separately rated as Code 7370 or Code 7382. Separately rate garage employees to Code 8385. Separately rate firefighters who also perform EMS to Code 7710 or Code 7711. Separately rate volunteer ambulance service companies and volunteer EMS providers to Code 7711.

Schedule 37, Group 372

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.) 621910—Ambulance Service

Description:

Ambulance services, emergency medical services (EMS), rescue and first aid squads, and lifesaving crews respond to emergency and nonemergency calls to help the ill and injured, extricate victims when necessary, administer first aid and/or more advanced medical treatment, and provide transportation to a medical facility. Such services can be provided by different types of organizationsal entities such as private ambulance services (for profit and nonprofit), hospitals, county or government-based services, fire departments, or a combination of the above.

There are established certification requirements for ambulance/EMS providers. These requirements apply regardless of the type of organization. Typically, an ambulance must contain two certified individuals to operate. Generally, workers will take turns as drivers of the ambulance. Crew members of ambulance, EMS, and rescue squad providers may have various occupational titles including but not limited to:

- First Responders
- Emergency Medical Technicians (EMTs)
- Paramedics

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Equipment and Materials:

- Backboards
- Stretchers
- · Suction devices
- Splints
- Oxygen delivery systems
- Defibrillators
- Various medical supplies

Additional Applications and Information:

- Ambulance service also includes "door through door" nonemergency medical transportation of patients between medical facilities. An example of this is the transfer of a patient from a hospital to a nursing home. Such medical transportation must be "door through door" where the patient is taken inside the medical facility through the door, not merely dropped off in front of the location. All other noncertified, nonemergency transports to be separately rated as Code 7370 or Code 7382.
- Contract mobile emergency medical crews, which provide services to special events where there is a high
 probability of injury, such as racetracks and extreme sporting events, are assigned to this classification. In
 addition to providing emergency medical attention, such providers also generally transport the injured
 party to a medical facility.
- Corpse delivery by a specialty contractor not affiliated with a hospital, mortuary, or funeral director is assigned to this code.

Special Conditions:

Refer to Code 72197228 for classification procedures for dispatchers.

Related Operations Not Classified to Code 7705:

- Code 8385—Ambulance Service Companies and EMS (Emergency Medical Service) Providers—Garage Employees
- Code 7710—Firefighters & Drivers—Nonvolunteer
- Code 7711—Firefighters, Ambulance Service Companies, and EMS (Emergency Medical Service)
 Providers—All Employees & Drivers—Volunteer

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7710

States Not Applicable:Replaced By:Not ApplicableNot ApplicableEstablished:Retained:July 2007Not ApplicableApril 2008—VANCCI Schedule and Group:Not ApplicableSchedule 37, Group 372

PHRASEOLOGY

FIREFIGHTERS & DRIVERS

Note: Applies to organizations serving the public through firefighting and related fire protection services. Includes firefighters who also perform emergency medical services. Separately rate employees who perform only EMS duties and no firefighting to Code 7705. Separately rate volunteer firefighting &and drivers to Code 7711. Separately rate volunteer ambulance service companies and volunteer EMS providers to Code 7711.

NAICS Gode(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.) 922160—Fire Protection

Description:

Code 7710 applies to firefighting entities employers that provide services for the protection of the public. Examples of fire protection services provided by firefighting crews include, but are not limited to, fire suppression, emergency first responders, emergency medical service (EMS), technical rescue, urban search and rescue, hazardous materials response, and fire education and safety efforts.

Equipment and Materials:

- Vehicles such as pumper trucks, hose wagons, tank trucks, elevated platform trucks, power-operated aerial ladder trucks, rescue vans, and ambulances
- Hoses, nozzles, and fittings
- Ladders
- Life nets
- · Fire extinguishers
- Generators
- Portable lighting
- Water pumps

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

- Smoke ejector fans
- Power and manual extrication equipment such as the "Jaws of Life"
- Power saws
- Salvage covers
- Miscellaneous tools such as pike poles, tin roof cutters, saws, and axes
- First-aid equipment
- Portable communication devices
- Personal protective equipment such as helmets, turnout coats and pants, gloves, rubber boots, face shields or goggles, self-contained breathing apparatus, and chemical exposure suits

Special Conditions:

- In fire departments where paid firefighters and volunteer firefighters work together, the use of both Codes 7710 and Gode 7711 is permitted for the same riskemployer
- This code does not apply to special firefighting crews employed by insureds employers for private fire protection of their own premises
- Refer to Code 72197228 for classification procedures for dispatchers

Related Operations Not Classified to Code 7710:

- Volunteer firefighters to be classified to Code 7711-
- Aerial firefighting operations to be classified to Code 7420-

CROSS-REF.

FIRE PATROL OR PROTECTIVE CORPS & DRIVERS—NO SALVAGE OPERATIONS

Note: Applies to organizations serving the public through firefighting and related fire protection services. Includes firefighters who also perform emergency medical services. Separately rate employees who perform only EMS duties and no firefighting to Code 7705. Separately rate volunteer firefighters &and drivers to Code 7711.

NAICS Gode(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.) 561990—All Other Support Services

Description:

Code 7710 is also applied to fire protective corps or fire patrols. These patrols were initially organized by fire underwriters for the purpose of minimizing damage to merchandise or equipment when fires occur. Employees of these insureds do not assist or participate in actual firefighting activities. Their function is to protect merchandise, machinery, and equipment from water damage consequential to controlling and extinguishing a fire. This may involve removal of the merchandise, machinery, and equipment from the premises and placement of tarpaulins or other protective coverings over the property to be protected. Also, these insuredsemployers may set up pumps to expel water from structures. Usually, these fire patrols or fire protective corps work under or above the actual fire so as to afford adjacent floors the maximum protection during the blaze. After the fire is out, their duties are confined to guarding the damaged premises until either the merchandise is removed or others have taken appropriate security measures.

Related Operations Not Classified to Code 7710:

Code 5704—Salvage Operation—No Wrecking or Any Structural Operations

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

CROSS-REF.

FOREST OR WILDLAND FIREFIGHTING & DRIVERS

Note: Applies to organizations serving the public through firefighting and related fire protection services. Includes firefighters who also perform emergency medical services. Separately rate employees who perform only EMS duties and no firefighting to Code 7705. Separately rate volunteer firefighters &and drivers to Code 7711.

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.)
115310—Support Activities for Forestry

Description:

Insureds engaged Employers in the business of forest or wildland firefighting should be classified to this code. Includes all operations such as mobilization of equipment and supplies, construction of fire trails and fire breaks, back burns, hose layout, mop up, training, and the maintenance or repair of equipment. Travel time pay, stand-by pay, or other idle time pay is included in this classification. Logging operations to be separately rated.

Special Conditions:

In situations where paid firefighters and volunteer firefighters work together, the use of both Codes 7710 and Gode 7711 is permitted for the same riskemployer.

Related Operations Not Classified to Code 7710:

- Volunteer forest firefighters to be classified to Code 7711-
- Aerial firefighting operations to be classified to Code 7420-

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7711

States Not Applicable:

Not Applicable

Not Applicable

Retained:

July 1975—VA
July 2007

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Schedule 37, Group 372

PHRASEOLOGY

FIREFIGHTERS, AMBULANCE SERVICE COMPANIES, AND EMS (EMERGENCY MEDICAL SERVICE) PROVIDERS—ALL EMPLOYEES & DRIVERS—VOLUNTEER

Note: Applies when coverage is provided to volunteers in states where such workers are entitled to benefits under the workers compensation law. Unless state statutes, regulations, and/or rules specify otherwise, premium for such volunteers must be determined on payroll of \$300 per volunteer per month.

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.) 922160—Fire Protection

Description:

Code 7711 applies to volunteer firefighters working for organizations that provide services for the protection of the public. Examples of fire protection services provided by firefighting crews include, but are not limited to, fire suppression, emergency first responders, emergency medical service (EMS), technical rescue, urban search and rescue, hazardous materials response, and fire education and safety efforts.

The following definition of a volunteer firefighter is provided for general understanding purposes only. State statutes should be referenced for specific definitions and determination of coverage and benefit provisions. A volunteer firefighter is a person who provides firefighting and related fire protection services and who does not expect to be compensated for those services. Usually a volunteer firefighter is not routinely scheduled to be present at a specific location for purposes of responding to an emergency; instead, they may respond from home, place of employment, or another unspecified location. A volunteer firefighter may or may not receive some type of compensation or gratuity for responding to an emergency or performing service.

Code 7711 also applies to volunteer ambulance services, emergency medical services (EMS), rescue and first aid squads, and lifesaving crews that respond to emergency and nonemergency calls to help the ill and injured, extricate victims when necessary, administer first aid and/or more advanced medical treatment, and provide transportation to a medical facility. Such services can be provided by different types of organizationsal

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

entities such as private ambulance services (for profit and nonprofit), hospitals, county or government-based services, fire departments, or a combination of the above.

The following definition of volunteer ambulance or EMS personnel is provided for general understanding purposes only. Reference state statutes for specific definitions and determination of coverage and benefit provisions. A volunteer ambulance or EMS worker is a person who responds to emergency and nonemergency calls to help the ill and injured, extricate victims when necessary, administer first aid and/or more advanced medical treatment, and provide transportation to a medical facility. He or she does not expect to be compensated for those services. A volunteer ambulance or EMS worker may respond from the workplace, home, place of employment, or other unspecified location. A volunteer ambulance or EMS worker may or may not be paid a gratuity for responding to an emergency.

Equipment and Materials:

- Vehicles such as pumper trucks, hose wagons, tank trucks, elevated platform trucks, power-operated aerial ladder trucks, rescue vans, and ambulances
- Hoses, nozzles, and fittings
- Ladders
- Life nets
- Fire extinguishers
- Generators
- Portable lighting
- Water pumps
- Smoke ejector fans
- Power and manual extrication equipment such as the "Jaws of Life"
- Power saws
- Salvage covers
- Miscellaneous tools such as pike poles, tin roof cutters, saws, and axes
- First-aid equipment
- Portable communication devices
- Personal protective equipment such as helmets, turnout coats and pants, gloves, rubber boots, face shields or goggles, self-contained breathing apparatus, and chemical exposure suits

Special Conditions:

- In fire departments where paid firefighters and volunteer firefighters work together, the use of both Codes 7710 and Gode 7711 is permitted for the same riskemployer
- Refer to Code 72197228 for classification procedures for dispatchers

Related Operations Not Classified to Code 7711:

- Paid firefighters to be classified to Code 7710-
- Aerial firefighting operations to be classified to Code 7420-
- Paid ambulance service companies and EMS providers to be classified to Code 7705.

CROSS-REF.

FIRE PATROL OR PROTECTIVE CORPS & DRIVERS-VOLUNTEER

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Note: Applies to organizations serving the public through firefighting and related fire protection services. Includes firefighters who also perform emergency medical services. Separately rate nonvolunteer firefighters &and drivers to Code 7710.

CROSS-REF.

FOREST OR WILDLAND FIREFIGHTING & DRIVERS-VOLUNTEER

Note: Applies to organizations serving the public through firefighting and related fire protection services. Includes firefighters who also perform medical services. Separately rate nonvolunteer firefighters &and drivers to Code 7710.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

7720

PHRASEOLOGY

POLICE OFFICERS & DRIVERS

CROSS-REF.

Detective or Patrol Agency & Drivers (N/A VA); Security Enforcement or Protection—Contract & Drivers; National Guard and Other State Military Organizations—Officers and Members Thereof.

SCOPE

Code 7720 principally applies to police department employees of municipalities, townships, counties, or states. This classification applies to all employees of a police department except clerical office employees qualifying for the assignment of Code 8810 in accordance with *Basic Manual* Rule 1-B-2-a. Code 7720 applies to any clerical employee of a police department who had any other duty in connection with the police department's function. This classification also applies to volunteer or auxiliary police officers, correction department employees, highway patrols, probation officers, parking meter readers, national guard persons, penitentiary employees, sheriffs, and jail employees, etc.

Code 7720 also is assigned to private security services, protective corps, protective agencies, airport security screening employees, armored car service companies, guards, and messengers employed by a contracting agency that provides such services for banks, forest rangers, game and fish wardens, hunting and fishing guides, and businesses that provide watchguard services for others. This classification is assigned to inspectors for Departments of Motor Transportation and inspectors at permanent truck weighing stations. All employees of private security services are assigned to Code 7720 except those clerical office employees qualifying under the **Basic Manual** rule. Private security services may include crowd management at athletic events, conventions, and concerts. Employees of a private security agency whose assigned duties are those of a store detective or hotel detective are assigned to Code 7720. There is no distinction made as to whether these employees are armed or unarmed, or whether or not they have the official authority or power to arrest.

Private security guard services and private detective or patrol agencies are assigned to Code 7723.

Specialty contractors providing flagging services or pilot car services at construction sites for purposes of traffic control and safety are classified to Code 7720. When employees of the construction contractor perform these services, the appropriate construction classification applies.

Refer to Code 7228 7219 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8002♦

N/A-GA, NJ, NY

PHRASEOLOGY

AUTOMOBILE RENTAL CO.:—ALL OTHER EMPLOYEES & COUNTER PERSONNEL, DRIVERS CROSS-REF.

Truck: Rental:—All Other Employees & Counter Personnel, Drivers.

State Special: Alaska — Automobile Service Center or Repair Center: Counter Clerks — applies to counter clerks, cashiers, and service writers that are not engaged in, or exposed to, shop operations. Employees that meet the eligibility criteria of clerical office workers are classified to Code 8810. Service writers exposed to shop operations are classified to Code 8380. Parts department employees are separately rated to Code 8380.

SCOPE

Code 8002 is assigned to all employees of automobile or truck rental companies, other than garage employees and those employees eligible for assignment to Code 8810—Clerical Office Employees NOC and Code 8742—Salespersons, or Collectors or Messengers—Outside in accordance with **Basic Manual** Rule 1-B-2 (Rule IV B 2—Standard Exception Classifications—1996 edition).

The classification includes drivers; however, in most instances, the driver exposure is minimal. The principal exposure is that of the counter personnel who, in addition to assigning vehicles, complete rental agreements, insurance and credit forms and collect payment for the rental of automobiles. The classification applies to operations at the insured'semployer's premises as well as at airports, train or bus stations, etc.

Garage employees of automobile rental companies are assigned to Code 8385.

Refer to Code 72197228 for classification procedures for dispatchers.

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

State Addendum

Massachusetts

Refer to MA Manual Rule IV-B-2 - Standard Exception Classifications.

Refer to Gode 7219 for classification procedures for dispatchers.

Note: Refer to Note listed under Gode 8001 for the approved interpretations applicable to stores and dealers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8232♦

PHRASEOLOGY

LUMBERYARD—NEW MATERIALS ONLY:—ALL OTHER EMPLOYEES & YARD, WAREHOUSE, DRIVERS CROSS-REF.

Building Material Dealer—New Materials Only:—All Other Employees & Yard, Warehouse, Drivers; Concrete: Ready-Mix Dealer & Yard Employees, Drivers—delivery of concrete not owned by the insured employer either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete shall-must be assigned to Godes 7228 and 7229—Trucking (N/A MA) the appropriate trucking classification; Fuel and Material Dealer NOC—No Secondhand Building Materials or Lumber—& Local Managers, Drivers—no secondhand building materials or lumber. aApplicable to risks dealing in at least three of the following classifications of materials:

- 1. Coal, fuel oil, wood or ice
- 2. New building materials including lumber
- 3. Hay, grain, feed or seed
- 4. Agricultural implements

Grain elevator operation to be separately rated as 8304; *Home Improvement Center—New Materials Only:*—All Other Employees & Yard, Warehouse, Drivers—home improvement centers are defined as building material dealers characterized by an extensive store operation handling a wide variety of products in addition to normal building materials and related hardware items. A home improvement center contemplates both inside sales and outside vard operations (N/A, MO).

State Special: Alaska, Florida, Louisiana, Montana, Oregon, Tennessee – substitute Gode 7219 for Godes 7228 and 7229 under Goncrete Ready Mix Dealer above;

Galifornia—Building Material Dealers—Commercial—No Secondhand Materials—this classification contemplates the sale of sand, gravel, cement, brick, fencing wire, wallboard, doors, roofing paper, paneling, decorative stone, foundation piers, pipe, button board, and similar building material items;

Galifornia Lumberyards Commercial No Secondhand Materials;

Hawaii—Lumberyard, Home Improvement Center, Building Material Dealer—New Materials Only—add the following to the national phraseology above: The payroll of employees engaged exclusively in store operations shall be classified as Code 8010—Hardware Store;

Massachusetts—add the following footnote to the above national phraseology: This classification does not include employees engaged in grading, removing and sorting of lumber at the conveyors as it comes from the saws of a saw mill;

Massachusetts - Cinder Dealers & Drivers:

Massachusetts—Concrete—Ready Mix Dealers—Trucks Operated to Supply Construction Work Undertaken by Independent Contractors Either Carrying Pre-Mixed Concrete or Mixing the Ingredients During

Transit—materials owned by insured while in transit or in other words, where the insured's contract involves payment for materials, mixing and trucking: all operations incidental to the pre-mixing of the concrete or the loading of ingredients into the trucks, which will mix during transit and trucking to the location;

Massachusetts - Wood Dealers - Kindling and Firewood - All Other Employees & Yard Warehouse, Drivers; New Jersey - Building Materials Dealer - No Secondhand Materials - & Drivers;

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

New Jersey Cinder Dealer & Drivers;

New Jersey Concrete Mixing in Transit & Drivers;

New Jersey—Fuel and Material Dealer NOC—& Local Managers, Drivers—applicable to risks dealing in at least three of the following classifications of materials:

- 1. Coal, fuel oil, wood or ice
- 2. New building materials including lumber
- 3. Hay, grain, feed or seed
- 4. Agricultural implements

New Jersey Lumberyard No Secondhand Materials & Local Managers, Drivers;

New York—Building Material Dealer—No Secondhand Material—& Local Managers, Drivers;

New York—Fuel and Material Dealer NOC—No Secondhand Building Materials or Lumber—& Local Managers, Drivers—applicable only to risks dealing in two or more of the classifications of materials listed below; however, it shall not be applicable to a risk if its sale of any one of such classifications of materials exceeds 80% of its total sales:

- 1. Coal, fuel oil, wood or ice
- 2. Building materials including lumber
- 3. Hay, grain, feed or seed
- 4. Agricultural implements or farm machinery

New York Lumberyard No Secondhand Materials & Local Managers, Drivers;

New York—Pole, Post or Tie Yard & Drivers—includes preserving operations. Gode 8232 and Gode 2702—Logging or Lumbering & Drivers shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses;

New York—Tie, Post or Pole Yard & Drivers—includes preserving operations. Gode 8232 and Gode 2702—Logging or Lumbering & Drivers shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses:

New York - Wood Preserving & Drivers - includes yard or incidental woodworking operations;

Oregon—Sash, Door or Assembled Millwork Dealer, All Other Employees & Yard, Warehouse, Drivers—store employees may be assigned to Class Gode 8058.

SCOPE

Code 8232 applies to those employees, other than employees assigned to Code 8058, of lumberyards and dealers engaged in performing the sale and distribution of other new building materials such as sand, gravel, crushed stone, cinders, lumber, finished millwork, builders' hardware, masons' supplies, roofing materials, plumbing and electrical supplies, etc., which are processed or manufactured by other concerns. These products are purchased in bulk lots, stored in yards, sheds or buildings, and sold and delivered in smaller quantities to builders, contractors and retail customers.

Dealers in used or new and used building materials are assigned to Code 8204—Building Materials Yard & Local Managers, Drivers.

Code 8232 is applied to <u>risks employers</u> involved in mixing and bagging concrete mixes. The classification applies to those <u>risks which employers that</u> store and sell, with incidental handling, all types of building materials regardless of whether the individual risk employer specializes in a particular type of material or

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

generalizes in its building materials sold. The term "building materials" encompasses, for the purpose of this classification, sand, cement, crushed stone, tile, and building parts such as doors, windows, stairs and other items needed in the building construction which are not otherwise classified to another specific classification. Code 8232 is assigned to building material dealers engaged exclusively in the sale of that exclusively sell bulk cement, bag cement, or crushed stone to contractors. Employees of building material dealers who mix these materials are additionally contemplated by included in Code 8232.

The following classification procedure is applies to ready-mix concrete dealers:

Trucks operating to supply construction work undertaken by independent contractors either carrying premixed concrete or mixing the ingredients during transit.

- 1. Materials owned by the insured employer while in transit or, in other words, where the insured's employer's contract involves payment for materials, mixing and trucking: all operations incidental to premixing the concrete or loading ingredients into trucks that will mix during transit and trucking to location—assign Code 8232.
- 2. Materials not owned by the <u>insured employer</u> either in storage or while in transit—where <u>insured's employer's</u> contract involves only trucking of premixed ingredients or trucking including the concurrent mixing in transit: all operations incidental to loading trucks and delivering concrete—assign Code <u>7219</u> <u>7228</u> or Code <u>7229</u>.

Trucks operated to supply construction work by the <u>insured</u> <u>employer</u> either carrying premixed concrete or mixing the ingredients during transit.

- 1. Drivers or chauffeurs—assign Code 7380 unless in connection with work covered by a classification that includes drivers or chauffeurs as in the case of "street or road construction."
- 2. Employees at a yard engaged in mixing the concrete prior to transit or loading trucks with ingredients to be mixed during transit—assign Code 8227.

Under the cross-reference phraseology—Fuel and Material Dealer—Code 8232 contemplates includes the handling of a variety of materials, one of which is coal. However, in order to qualify as a fuel and material dealer, the risk employer must deal in at least three of the classifications of materials enumerated above.

Therefore, since the handling of coal is contemplated within included in the scope of Code 8232, a bona fide lumberyard handling a minor amount of coal would be properly assigned to Code 8232—Lumberyards.

Certain Code 8232 operations are designated as "not otherwise classified" (NOC). These NOC operations shall apply to an insured employer only when no other classification more specifically describes the insured's employer's operations. The following is a representative list of classifications somewhat related in nature to Code 8232 operations that are not assigned to Code 8232:

- 8233 Coal Merchant & Local Managers, Drivers
- 8058 Building Material Dealer—New Materials Only—Store Employees
- 8204 Building Material Yard <u>& Local Managers, Drivers</u>
- 8215 Hay, Grain or Feed Dealer Store: Feed, Fertilizer, Hay or Grain & Local Managers, Drivers—No Mfg.
- 8235 Sash, Door or Assembled Millwork Dealer & Drivers
- 2710 Sawmill

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 Gode 8232 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

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

State Addendum

Massachusetts

Delivery of concrete not owned by the insured, either in storage or while in transit including all operations incidental to the loading of trucks and delivery of such concrete, shall be assigned to Gode 7219—Trucking.

Codes 7228 and 7229 are not available (N/A MA).

Note: Refer to Note listed under Code 8001 for the approved interpretations applicable to stores and dealers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8292

PHRASEOLOGY

STORAGE WAREHOUSE NOC.

Applies to general merchandise. Drivers to be separately rated to the appropriate trucking classification.as Godes 7228 and 7229—Trucking.

CROSS-REF.

Warehousing NOC—this cross-reference has the same footnote as Storage Warehouse NOC.

State Special: Alaska, Florida, Louisiana, Massachusetts, Montana, Oregon, Tennessee in these states, substitute Gode 7219 for Godes 7228 and 7229:

Galifornia—Warehouses—General Merchandise—NOC—drivers and their helpers shall be separately classified as Gode 7219—Trucking Firms;

Maine—Farm: Potato: Field Crops & Drivers—Gode 0037—this classification is applicable to the cultivation and harvesting of potatoes; Farm: Potato: Storage Warehouse—this classification is applicable to storage warehouses operating in conjunction with potato farms;

New Jersey add "Drivers to be separately rated as Gode 7219 Truckmen" to footnote;

New York Cotton Storage applies to baled cotton. Includes warehouse or yard employees;

New York—Storage Warehouse NOC—applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking NOC—All Employees—& Drivers;

New York—Warehouse NOC—applies to general merchandise. Drivers to be separately rated as Gode 7219—Trucking NOC—All Employees—& Drivers.

SCOPE

Code 8292 is applied to <u>insuredsemployers</u> engaged in the warehousing or storage of general merchandise for other business concerns provided such operations are not otherwise classified in the *Basic Manual*. Firms falling within the scope of this classification have no equity in the merchandise they store. For example, if an entity operates a chain of stores and maintains a central storage warehouse for distribution of goods owned to its various stores, then that warehouse is properly assigned to the applicable store classification, not Code 8292.

Code 8292 operations involve the care and maintenance of the warehouse and its equipment and the receiving, safekeeping, and subsequent release of the merchandise from storage. Such merchandise is usually stored over long periods of time and there is no exposure to constant piling or breaking down of the merchandise. Code 8292 is assigned to the storage of bulk materials such as dry cement and rice, coffee, potatoes, peanuts, or other nonperishable food products. As indicated in this classification's footnote, drivers engaged in hauling general merchandise to or from the warehouse are separately rated to the appropriate trucking classification. under Godes 7228 and 7229—Trucking. Refer to these scopes to determine their proper application.

The distinction between assignment of the freight-handling codes 7350F and 7360 and assignment of a warehousing classification such as Code 8292 is based on the premise that warehousing operations store goods for long periods of time. With respect to freight handlers, one findsthere is a constant movement of goods with by employees who, on a frequent basis, are frequently engaged in receiving, sorting, tiering, or

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

breaking down the goods handled. This constant handling hazard is a distinguishing factor when compared to a warehousing classification such as Code 8292.

Code 8292 is a "not otherwise classified" (NOC) classification. This means that Code 8292 shall apply applies to an insured'semployer's operation(s) only when no other classification more specifically describes the insured'semployer's operation(s). The following is a representative list of operations somewhat related in nature to Code 8292 operations that are not assigned to Code 8292.

7360 Freight Handling NOC
8291 Storage Warehouse—Cold
8293 Storage Warehouse—Furniture & Drivers
8018 Store:—Wholesale NOC
2174 Tobacco Rehandling or Warehousing

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 Gode 8292 or a classification other than a classification on the above list is applicable to the operation(s) being reviewed for classification purposes.

State Addendum

Massachusetts

Gode 8292 is applied to insureds engaged in the warehousing or storage of general merchandise for other business concerns provided such operations are not otherwise classified in the MA Manual. As indicated in this classification's footnote, drivers engaged in hauling general merchandise to or from the warehouse are separately rated under Gode 7219 (Godes 7228 and 7229 are N/A MA).

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8350♦

PHRASEOLOGY

GASOLINE DEALER & DRIVERS.

Retail gasoline stations to be separately rated as Code 8381 or Code 8380—Automobile Service or Repair Center (N/A MA).

CROSS-REF.

Gas Dealer—L.P.G. & Drivers—applies to all operations including store employees; installation, servicing or repair of customers' equipment or appliances. Distribution by gas mains or piping from central tanks to be separately rated as Code 7502—Gas Distributing (N/A AL, AZ, FL, LA, MS, MO); Oil Dealer & Drivers—operation of retail gasoline stations to be separately rated as Code 8381—Gasoline Station—Retail—Self-Service or Code 8380—Automobile Service or Repair Center (N/A MA); Oiling of Roads & Drivers:—Delivery and Spreading of Oil on Roads by Oil Distributors; Solvent Dealers—Bulk & Drivers.

State Special: Galifornia Gasoline or Oil Dealers Wholesale including mixing or blending;

Hawaii, Louisiana, Missouri, Oklahoma, Rhode Island—in these states replace Code 8380—Gasoline Station referred to in the above phraseology with Code 8387—Gasoline Station NOC;

Massachusetts Alcohol Dealers Bulk & Drivers;

Massachusetts—Gasoline or Oil Dealers & Drivers—operation of retail gasoline stations to be separately rated as Code 8381—Gasoline Station—Retail—Self-Service or Code 8380—Gasoline Station—Retail—NOC—Full Service:

Massachusetts Oil Reclaiming of Used Motor Oil & Drivers;

Massachusetts—Reads Oiling: Delivery and Spreading of Oil on Reads by Oil Distributors—& Drivers; **New Jersey**—add "Retail gasoline stations to be separately rated as Gode 8387—Gasoline Station" to footnote:

New York—Gasoline or Oil Dealer & Drivers—retail gasoline stations to be separately rated as Gode 8391—Automobile Gasoline Station NOC & Drivers or Gode 8381—Automobile Gasoline Station—Self Service:

New York—Oil or Gasoline Dealer & Drivers—retail gasoline stations to be separately rated as Gode 8391—Automobile Gasoline Station NOC & Drivers or Gode 8381—Automobile Gasoline Station—Self Service.

SCOPE

Code 8350 is applied to dealers engaged in performing gasoline and oil distribution. These dealers receive various grades of refined gasoline and oil which that are pumped into storage tanks. There may be incidental mixing and blending operations utilizing a small system of pipelines which that lead from the storage tanks to the mixers, and from there to conveniently located outlets from which the products are filled into tank trucks prior to delivery. The classification contemplates includes dealers such as refinery distributors who that sell and distribute gasoline and lubricating oil directly to retail filling stations and, in addition, make bulk deliveries of fuel oil to factories, apartment houses, office buildings, and private residences. Additionally, jobbers who that operate in the same manner fall within the scope of Code 8350 as well as retailers who that distribute fuel oil in smaller quantities. These retail dealers do not maintain bulk storage plants and do not handle gasoline or lubricating oil. The incidental handling and sale of coal by these fuel oil dealers is assigned to Code 8350

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

provided it is not a substantial part of their total operations. This classification also is applied to oil or gasoline dealers who that, as an incidental phase of their general operations, engage in spreading oil on roads.

However, if sand or gravel is spread in conjunction with the road oiling, Code 5506, the street or road paving or repaving classification, shall-will be assigned to the entire operation. Additionally, dealers engaged in industrial solvents distribution are assigned by analogy to Code 8350. Petrochemicals received from others are stored in tanks, mixed and blended and then filled into large drums or tank trucks prior to delivery to their customers.

Code 8350 also is applied applies to dealers engaged in the distribution of that distribute liquefied petroleum gas by means other than mains or pipelines. It applies to all operations of such insureds employers and includes store employees, drivers, and the installation, service, or repair of their customers' equipment or appliances. The classification contemplates includes the unloading of the liquefied petroleum gas from railroad tank cars, subsequent storage in tanks on their premises, the filling of bottled gas cylinders or tank trucks, and the retail or wholesale delivery of the liquefied petroleum gas. Code 8350 also is applied to bottled gas dealers who that do not engage in filling the perform the filling of liquefied petroleum gas into the cylinders. Additionally, dealers engaged in performing the sale and distribution of anhydrous ammonia are assigned by analogy to this classification regardless of whether such distribution is performed by liquefied petroleum dealers or dealers engaged that solely in the distribution of distribute anhydrous ammonia. In those instances where insureds employers within the fertilizer industry; their distributors; or hay, grain, or feed dealers sell and distribute anhydrous ammonia, such distribution is considered to be a separate undertaking or enterprise subject to a division of payroll in accordance with manual rules.

Refer to Code 7219 7228 for classification procedures for dispatchers.

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

State Addendum

Massachusetts

Code 8350 contemplates the installation, service or repair of domestic or residential heating equipment conducted by fuel oil or gas dealers for their own fuel customers. The domestic or residential heating equipment involved includes, but is not limited to oil or gas burners, hot water/steam boilers and hot air furnaces. Whenever such work is conducted by risks other than fuel or gas dealers, the operations are properly assigned to the appropriate construction classifications. In those instances where insureds within the fertilizer industry; their distributors; or hay, grain or feed dealers sell and distribute anhydrous ammonia, such distribution is considered to be a separate undertaking or enterprise, assigned by analogy to Code 8350, subject to MA Manual Rule IV E. Refer to Code 7219 for classification procedures for dispatchers.

Note: Refer to Note listed under Gode 8001 for the approved interpretations applicable to stores and dealers.

EXHIBIT 8 BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8380

Established: Replaced By:
January 1988 Not Applicable

Discontinued: Retained:
Not Applicable

Not Applicable

NCCI Schedule and Group:
Schedule 34, Group 347

PHRASEOLOGY

AUTOMOBILE SERVICE OR REPAIR CENTER & DRIVERS

Note: Includes parts department employees. Automobile salespersons to be separately rated as 8748. Codes 8380 and 8392—Automobile Storage <u>Garage shall must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

NAICS Code(s):

(For reference only. Not to be used for classification of risks for workers compensation purposes.) 811118—Other Automotive Mechanical and Electrical Repair and Maintenance

Description:

Code 8380 is applied to <u>insuredsemployers</u> operating service stations and gasoline stations <u>whichthat</u> perform service or repair work on automobiles, vans, trucks, and motorcycles. The classification includes minor repair and service work such as engine tune-ups; simple electrical lighting; starter and generator repairs; sales, installation, and service of storage batteries; tire mounting, balancing and alignments; lubrications; oil changes; gasoline dispensing; car washing; glass installation; undercoating; and work on engines, transmissions, radiators, ignition systems, chassis, and bodies.

Code 8380 additionally contemplates includes major mechanical repair work such as engine or transmission overhauls, valve work, extensive or complex ignition and electrical systems repair, body and paint work, etc.

Specialist shops such as those engaged in performing installation, service or repair of brakes, mufflers and air conditioners in automobiles, vans and light trucks, as well as new car clean-up and detail shops are contemplated byincluded in Code 8380. Race car drivers are assigned to Code 9180.

Race car teams or crews that repair or service race cars at or away from racetracks are assigned to Code 8380.

Code 8380 is also applied to <u>insuredsemployers</u> that operate new and/or used automobile, van, truck, motorcycle, or golf cart sales or service agencies. These <u>insuredsemployers</u> will usually operate repair shops and replacement parts departments. As this classification includes drivers, employees who drive vehicles purchased from factories to their employer's agencies are classified to Code 8380. Employees of automobile sales or service agencies who engage exclusively in repossessing activities, or automobile salespersons

EXHIBIT 8 (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

who engage in both repossessing and selling activities, are classified to Gode 8380. Employees (usually referred to as service writers) who greet customers for the purpose of discussing problems associated with the customer's vehicle are additionally classified to Code 8380. These service writers will often conduct a cursory inspection of the customer's vehicle and provide an estimate for the anticipated repair work. These employees may also enter the shop area to determine the status of repair work on a customer's vehicle.

Automobile salespersons who exclusively sell or lease vehicles are classified to Code 8748, a Standard Exception classification. Diesel engine sales and service franchises where the majority of work is performed on diesel engines for trucks, but not power equipment such as Caterpillars, graders, power shovels or cranes, are additionally assigned to Code 8380.

Additional Applications and Information:

Code 8380 further applies to mobile home sales and service dealers. Their salespersons are assigned by analogy to Code 8748. Code 8380 is also applied to specialists who undertake shop repair of mobile homes.

Boat and outboard engine sales and service agencies performing marine engine repair at locations inland and not in conjunction with boat yards, boat docks, or marinas are assigned to Code 8380, which covers all repair and parts department employees. Their salespersons are assigned by analogy to Code 8748. Risks engaged exclusively in repair of Employers that exclusively repair outboard engines are properly assigned to Code 3632—Machine Shop.

Code 8380 applies to all operations of a retail rubber tire dealer including inside sales personnel, warehouse operations, installation, adjustment or aligning tires, etc. Refer to Code 8018 for wholesale rubber tire dealers that do no installation. Rubber tire recapping and retreading are also contemplated by included in Code 8380 as such operations have been considered more analogous to the operations of a rubber tire dealer than that of a tire manufacturer, based on the premise that the processes involved in rubber tire manufacturing are much more extensive than recapping or retreading.

Code 8380 includes all types of car wash facilities, whether the automobile is washed, waxed, and polished by attendants, coin operated self-service units, or remote-controlled fully automatic units. Cashiers employed by these businesses are included in Code 8380.

The cleaning and washing of foreign-made cars at U.S. ports of entry has also been assigned to Code 8380 provided the washing and cleaning operations are the principal business of the <u>insuredemployer</u>. However, if these operations are performed in conjunction with businesses classified as Code 8392, then Code 8392 would prevail.

Code 8380 is also assigned to businesses specializing in the installation of glass in automobiles. Refer to Codes 4130 and/or 5462 for a glass merchant or glazier dealing principally in the sales or installation of nonautomotive types of glass.

Automobile window tinting is assigned to Code 8380 when performed by specialists, or those risks engaged inemployers perfroming automobile sales, service, or repair operations, or gasoline stations. The window tinting may be done by the application of a tinted film over the glass or by spraying a liquid tint on the windows to screen out sun rays and provide privacy for the passengers.

Employees of oil and gasoline distributing companies engaged in performing maintenance, adjustment, repair, and cleaning of air compressors, gasoline pumps, and other mechanical equipment at gasoline or oil supply stations owned by such companies but leased to others for operating, are also assigned by analogy to Code 8380. However, such operations, when performed by an independent specialist contractor who repairs, adjusts, and cleans gasoline pumps, are assigned to Code 3724—Millwright Work NOC & Drivers.

Special Conditions:

EXHIBIT 8 (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Code 8380 includes parts department employees engaged in retail or wholesale over-the-counter sales of parts even if these employees are in physically separated areas and there is no interchange of labor, provided that the insured's principal payroll is not derived from the wholesale or retail sales of parts to others. In the event a riskan employer has both automobile service operations and automobile parts and accessories store operations, the classification procedure requires that the risk's employer's entire operations, exclusive of applicable Standard Exceptions, be assigned to that classification representing the predominant operations. If the payroll for the service operation predominates, Code 8380 is applicable to the riskemployer. If the payroll for the store operation predominates, Code 8046—Auto Accessories Stores—Retail is applicable to the riskemployer. The scope of Code 8046 has been interpreted to include incidental installation and repair, while the scope of Code 8380 has been interpreted to include incidental store operations. This classification procedure is followed even though the repair and store areas may be physically separated and operate without interchange of labor. In the event an insured employer operates more than one location, payrolls for each location are evaluated separately and the proper classification assignment is made to each separate location based on that location's payroll analysis. This procedure is based on **Basic Manual** Rule 1-D-3-q. which states, "For mercantile businesses such as stores or dealers, the classification is determined separately for each location."

Related Operations Not Classified to Code 8380:

Code 8380 does not contemplate include specialty repair shops whose operations are contemplated by included in a specialty classification. Examples of specialty classifications include but are not limited to Codes 3822, 3824 and 8393 for specialists principally engaged in chassis or body repair or service; Code 9505 for automobile painting operations; and Code 3632 for automobile machine shops that repair engines or other mechanical parts that have been removed from a vehicle by others who are not employed by the automobile machine shop.

Refer to Codes 8381 and 8006 for retail self-service gasoline stations operated in conjunction with enterprises such as but not limited to convenience or grocery stores and/or restaurants.

Refer to <u>Code 7225</u> Godes 7228 and 7229 for risks for employers whose principal business is the repossession of vehicles.

Additional operations contemplated by included in Code 8380 include commercial automobile inspection stations, garages operated by political entities such as municipalities for repair of their owned vehicles, and businesses that lease office-type trailers usually found at construction sites.

Certain Code 8380 operations are designated as "not otherwise classified" (NOC). These NOC operations shallwill apply to an insuredemployer only when no other classification more specifically describes their insured's operations. The following is a representative list of operations somewhat related in nature to Code 8380 operations that are not assigned to Code 8380.

- 8393 Automobile Body Repair
- 8392 Automobile Storage Garage, <u>Parking Lot</u> or Parking Station, <u>Valet Service</u>, <u>Cashiers or Counter</u> Personnel & Drivers
- 3632 Automotive Machine Shop
- 8385 Bus Co.: Garage Employees
- 8006 Gasoline Station:—Self-Service and Convenience/Grocery—Retail
- 8381 Gasoline Station:—Self-Service Only—Retail

EXHIBIT 8 (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

9505 Painting:—Automobile or Carriage Bodies

7225 Automobile Towing & Drivers

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 Gode 8380 or a classification other than one on the above list is applicable to the operations being reviewed for classification purposes.

CROSS-REF.

AIR-CONDITIONING SYSTEMS:—AUTOMOBILE—INSTALLATION, SERVICE OR REPAIR & DRIVERS

Note: Towing for others and roadside assistance to be separately rated.

CROSS-REF.

AUTOMOBILE:--LEASING COMPANY--LONG-TERM:--ALL OTHER EMPLOYEES & DRIVERS

Note: Towing for others and roadside assistance to be separately rated.

CROSS-REF.

AUTOMOBILE CAR WASH & DRIVERS

Note: Includes incidental greasing, polishing, and servicing. Codes 8380 and 8392—Automobile Storage Garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside</u> assistance to be separately rated.

CROSS-REF.

AUTOMOBILE SALES OR SERVICE AGENCY & PARTS DEPARTMENT EMPLOYEES, DRIVERS

Note: <u>Automobile salespersons to be separately rated as Code 8748. Towing for others and roadside</u> assistance to be separately rated.

Automobile salespersons to be separately rated as Code 8748.

CROSS-REF.

GASOLINE STATION NOC-RETAIL & DRIVERS

Note: Includes retail diesel stations and gasoline stations providing full services such as, but not limited to, pumping gasoline, checking fluid levels, attended car washing service, <u>or</u> automobile maintenance or repair, or towing services. Codes 8380 and 8392—Automobile Storage Garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. <u>Towing for others and roadside assistance to be separately rated.</u>

CROSS-REF.

MOBILE HOME DEALERS:—ALL OTHER EMPLOYEES AND DRIVERS

Note: Codes 8380 and 8392—Automobile Storage Garage shall <u>must</u> not be assigned to the same <u>riskemployer</u> unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8 (CONT'D)

BASIC MANUAL—2001 EDITION—VIRGINIA
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: VA)

CROSS-REF.

RUBBER TIRE DEALERS & DRIVERS

Note: Includes repairing, vulcanizing, the adjustment of tires to vehicles away from the premises of insuredemployer. Codes 8380 and 8392—Automobile Storage Garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

CROSS-REF.

STORAGE BATTERY SERVICE STATION & DRIVERS

Note: Codes 8380 and 8392—Automobile Storage Garage shall must not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8385

Established:

1920

Not Applicable

Discontinued:

Not Applicable

Retained:

Not Applicable

Not Applicable

Not Applicable

Not Applicable

Schedule and Group:

Schedule 34, Group 347

PHRASEOLOGY

BUS CO .: GARAGE EMPLOYEES

Description:

Code 8385 is applied to all garage or automobile service employees of <u>insureds employers</u> that operate bus companies, limousine or livery companies, taxicab companies, automobile and truck rental companies, ambulance service companies, and contract school bus companies. These garage employees perform all mechanical repairs on their particular employers' vehicles; service such vehicles with gas, oil, and water; check and change tires or batteries when necessary; wash and clean the vehicles as well as any other duties required to keep the vehicles and garage equipment in good working order.

Special Conditions:

Refer to Code 7219 7228 for classification procedures for dispatchers.

Related Operations Not Classified to Code 8385:

Code 7382—Bus Co.:__All Other Employees & Drivers

CROSS-REF.

AMBULANCE SERVICE COMPANIES—GARAGE EMPLOYEES

Note: Includes the garage employees of volunteer ambulance service and EMS providers. **Description:**

Code 8385 is applied to all garage or automobile service employees of <u>insuredsemployers</u> that operate ambulance service and EMS (emergency medical service) providers.

Special Conditions:

Refer to Code 7219 7228 for classification procedures for dispatchers.

Related Operations Not Classified to Code 8385:

Code 7705—Ambulance Service and EMS (Emergency Medical Service) Providers & Drivers.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

CROSS-REF.

AUTOMOBILE RENTAL CO .: GARAGE EMPLOYEES

Note: Includes employees who check or change fluids, batteries, <u>and</u> tires and clean or otherwise service automobile or garage equipment.

Description:

Code 8385 is applied to all garage or automobile service employees of insureds employers that operate automobile and truck rental companies.

Related Operations Not Classified to Code 8385:

Code 8002—Automobile Rental Co.:—All Other Employees & Counter Personnel, Drivers

CROSS-REF.

LIMOUSINE CO .: GARAGE EMPLOYEES

Description:

Code 8385 is applied to all garage or automobile service employees of insureds employers that operate limousine or livery companies.

Special Conditions:

Refer to Code 7219 7228 for classification procedures for dispatchers.

Related Operations Not Classified to Code 8385:

Code 7382—Limousine Co.:—All Other Employees & Drivers

CROSS-REF.

TAXICAB CO .: GARAGE EMPLOYEES

Description:

Code 8385 is applied to all garage or automobile service employees of insureds employers that operate taxicab companies.

Special Conditions:

Refer to Code 7219 7228 for classification procedures for dispatchers.

Related Operations Not Classified to Code 8385:

Code 7370—Taxicab Co.:—All Other Employees & Drivers

CROSS-REF.

RAILROAD OPERATION:__STREET:__YARD EMPLOYEES

Description:

This classification additionally is applied to all yard employees of <u>insureds</u> <u>employers</u> that operate street railroads, incline railroads, or trackless trolleys.

Related Operations Not Classified to Code 8385:

Code 7382—Railroad Operation:—Street:—All Other Employees & Drivers

EXHIBIT 8-RULE (CONT'D)

BASIC MANUAL—2001 EDITION—VIRGINIA
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: VA)

CROSS-REF.

TRUCK: RENTAL:__GARAGE EMPLOYEES

Description:

Code 8385 is applied to all garage or automobile service employees of <u>insureds</u> <u>employers</u> that operate automobile and truck rental companies.

Related Operations Not Classified to Code 8385:

Code 8002—Truck: Rental:—All Other Employees & Drivers

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

8393

Established: Replaced By:
December 1937 Not Applicable

Discontinued: Retained:
Not Applicable Not Applicable

NCCI Schedule and Group:
Schedule 34, Group 347

PHRASEOLOGY

AUTOMOBILE BODY REPAIR & DRIVERS-

Note: Applies to the repair of metal, fiberglass and plastic automobile bodies and includes upholstering and painting.

Codes 8393, and 3822, and 3824,—Automobile Body Mfg. and 3808—Automobile Mfg., and 8380—Automobile Service or Repair Genter and Drivers shall will not be assigned to the same riskemployer unless the operations described by these classifications are conducted as separate and distinct businesses. Towing for others and roadside assistance to be separately rated.

State Special: California — Automobile or Automobile Truck Body and Fender Repairing and Painting — all employees including estimators, service writers and customer service representatives;

Hawaii, Louisiana, Missouri, Oklahoma, Rhode Island in these states, replace Gode 8380 with Gode 8391 in the above phraseology;

Florida Automobile Bumper Repair electroplating operations to be separately rated as Gode 3372;

Massachusetts—Automobile Body Repair—applies to the repair of metal fiberglass and plastic automobile bodies and includes upholstering and painting. Codes 8393—Automobile Body Repair, 3808—Automobile Mfg., and 8380—Automobile Service or Repair Center shall not be assigned to the same risk unless the operations described by these operations are conducted as separate and distinct businesses;

New Jersey—Auto Body Repair—applies to the repair of metal automobile bodies and light panel body trucks. Includes upholstering and painting. NPD with Code 3815—Automobile Truck Body Mfg. or Repair NOC or Code 8397—Automobile Garage or Repair Shop;

Oregon—Automobile Body Repair and Drivers—applies to the repair of metal automobile bodies and includes upholstering and painting. Godes 8393 and 3822 and 3824—Automobile Body Mfg., and 3808—Automobile Mfg. shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses:

Gregon—the following is applicable to body shop operations in Oregon: Where towing operations constitute more than 50% of the gross receipts, Code 7219 shall be assigned to the tow truck drivers and their helpers. When the insured cannot establish that towing receipts constitute 50% or less of total receipts from operations during the policy period, Code 7219 shall be assigned to all tow truck drivers and their helpers.

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

Body shop operations operated in conjunction with automobile dealerships or any other auto repair shop may be separately rated as Gode 8393—Automobile Body Repair, provided the following conditions are met: 1. Operations are physically separated, 2. Operations are conducted without interchange of work, 3. Separate payroll records are maintained. If the above conditions are not met, then all body shop employees shall be assigned to Gode 8380.

Description:

Code 8393 is applied to insureds who are engaged employers in the business of metal, fiberglass and plastic automobile body repair work including incidental upholstering and painting. Estimators employed by these automobile body shops indicate the repairs needed and quote prices to customers who have driven to the shops or had their cars towed in. Repair of the automobile bodies may involve the removal of panels or other parts which may require the use of an acetylene torch; realignment of bent frames by heating and bending with hydraulic equipment; hand forming of replacement parts; welding of replacement parts to the bodies; repair or replacement of upholstery; replacement of broken glass and sanding and painting of the repairs. All employees engaged in performing these body repair operations as well as the estimators are contemplated within included in the scope of this classification. Van conversion operations conducted by specialists also are assigned by analogy to Code 8393. Previously manufactured vans are usually customized according to individual specification and may involve cutting openings into the sides and tops of the vans for installation of windows, portholes or vents; carpeting and upholstering the interior floors and walls; and installation of couches, special lighting fixtures, stereos, refrigerators, etc.

Subsequent to After these operations, decorative painting of the exterior of the vans is usually undertaken performed. All of the employees of these van conversion specialists are contemplated within included in the scope of this classification.

Code 8393 includes insureds employers that repair small dents in automobiles using a hand tool. A technician inserts the tool against the area to be repaired and using leverage, forces the dent out, putting the metal back in its original shape. Unlike typical automobile body shops, no power tools are used and no painting is performed. The procedure described above may be performed at the insured's employer's shop or at a customer's premises.

Gode 7380 is applicable to tow truck operators employed by Gode 8393 risks.

Towing for others <u>and roadside assistanceis</u> to be separately rated to Code 7225—Automobile Towing & Drivers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

9403

PHRASEOLOGY

GARBAGE, ASHES, OR REFUSE COLLECTION & DRIVERS.

Reduction, rendering or fertilizer plants to be separately rated.

GROSS-REF.

State Special: Galifornia — Garbage, Ashes or Refuse Collecting — dump operations shall be separately classified as Code 9424—Garbage, Ashes or Refuse Dump Operations;

Galifornia Street Sweeping Service Companies;

Massachusetts—Municipal, Township, County or State Employee NOC—Major Occupations Assigned to Classifications Other Than Gode 9410: Garbage Dump—Landfill—All Employees & Drivers, Garbage Collectors—Including Containerized Collection & Drivers, Garbage Works: Drivers and Helpers, Trash Collectors—Including Containerized Collection & Drivers:

Minnesota — Cleaner Debris Removal: By Subcontractor — applies only in connection with construction or erection. Does not apply to the payroll for cleaners except when the payroll for watch guards, timekeepers and cleaners is more than all other payroll of the insured which is subject to construction or erection classifications at the same job or location;

New Jersey Ashes Collection & Drivers reduction, rendering or fertilizer plants to be separately rated;

New Jersey - Garbage Collection & Drivers - reduction, rendering or fertilizer plants to be separately rated;

New Jersey Manure Dealer & Drivers;

New Jersey—Refuse, Gollection & Drivers—reduction, rendering or fertilizer plants to be separately rated; **Oregon**—Recycling—applies to drivers and their helpers engaged in route collection or delivery operations.

<u>SCOPE</u>

Code 9403 is applied to insureds engaged in employers that perform public or private collection of garbage, ashes, or refuse and the transporting of same to waste reduction or incinerator plants, rendering or fertilizer plants or dumps. There is no distinction as to the types of garbage or refuse collected, i.e., solid or liquid, commercial, industrial or residential. Also, no distinction is made as to the methods used to collect the garbage or refuse. Some insuredsemployers empty cans or drums manually or toss filled plastic trash bags into trucks. Others operate mechanical equipment to lift containerized waste and dump the waste into trucks, or entire containers may be loaded onto truck chassis and empty containers are left for refilling. Drivers who remove residue from reduction or incinerator plants are also assigned to Code 9403 in accordance with the directive footnote of Code 7590—Garbage Works. Additionally, manure dealers who purchase and collect their product from stockyards, dairy farms, and other type animal farms and subsequently sell it as fertilizer are assigned by analogy to Code 9403.

Insureds engaged in Employers that collecting and hauling shredded documents from office locations to a disposal site are also assigned to Code 9403 by analogy. Refer to Code 8264 for insureds engaged in employers that shredding sensitive documents at office locations.

Refer to Code 72197228 for classification procedures for dispatchers.

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ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP, INCLUDING TRUCKING AND TOWING

EXHIBIT 8-RULE (CONT'D)

BASIC MANUAL—2001 EDITION—VIRGINIA
FACT SHEET 5—TRUCKING & TOWING
SPECIAL CLASSIFICATIONS
(Applies in: VA)

State Addendum Massachusetts

Refer to Code 7219 for classification procedures for dispatchers.

EXHIBIT 8-RULE BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

9534● N/A—GA, LA, NJ

PHRASEOLOGY

MOBILE CRANE AND HOISTING SERVICE CONTRACTORS—NOC—ALL OPERATIONS—INCLUDING YARD EMPLOYEES AND DRIVERS.

This classification shall apply to hoisting or lifting operations, requiring the use of mobile hoisting equipment, block and fall, jacks, shoring timbers, rollers, ropes and cables, including transportation of such equipment to and from work sites.

CROSS-REF.

Bell Installation—Tower— & Drivers; Scaffolding—Outrigger Scaffold Installation, Repair or Removal & Drivers; Scaffolding—Suspended or Swinging Scaffold Installation, Repair or Removal & Drivers.

State Special: Massachusetts—Mobile Crane and Hoisting Service Contractors—NOC—All Operations—Including Yard Employees & Drivers—this classification shall apply to hoisting or lifting operations requiring the use of mobile hoisting equipment, block and fall, jacks, shoring timbers, rollers, ropes and cables including transportation of such equipment to and from work sites. This pertains to risks who enter into contracts to perform hoisting or lifting operations exclusively. Such operations include, but are not limited to, the following:

- 1. The hoisting of machinery and equipment into existing buildings
- 2. The hoisting of materials on construction and erection projects
- 3. The use of mobile cranes to load or unload trucks or freight cars

The payroll developed by insureds performing the abovedescribed operations exclusively shall be assigned to Gode 9534—Mobile Grane and Hoisting Service Contractors. An employer who performs both hoisting and construction operations on a particular project shall not be assigned Gode 9534—Mobile Grane and Hoisting Service Contractors, but shall have his entire payroll in connection with such project, including the payroll developed in the operation of the mobile crane, assigned to the applicable construction classification;

Massachusetts — Mobile Crane Leasing or Rental — With Operators — All Operations — Including Yard Employees & Drivers;

Massachusetts—Suspended or Swinging Scaffold Installation, Repair or Removal—NOG—All Operations Including Yard Employees & Drivers;

Massachusetts—Outrigger Scaffold Installation, Repair or Removal—NOC—All Operations Including Yard Employees & Drivers;

Mentana delete "including yard employees" from phraseology;

Mentana—Pumping Services—applies only to a specialty contractor whose operations are limited to providing concrete pumping services to others;

New York—Mobile Grane and Hoisting Service Contractors NOC & Drivers—applies to risks exclusively engaged in leasing cranes, with operators, who hoist machinery and equipment into existing buildings, hoist materials on construction and erection projects, and use mobile cranes to load or unload trucks or freight cars. This classification is not applicable to a risk engaged in the actual construction at the same job or location;

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

New York—Scaffolds—Suspended or Swinging—Installation, Repair or Removal—& Drivers—not applicable to contractors who erect, repair or remove scaffolds as an incidental part of their construction work. When so performed, such operations shall be included in the classification with which such work is associated;

Gregon—Goncrete: Pumping—Specialty Contractor Only—applies to specialty contractors only, regardless of the type of concrete construction being performed. If the contractor engages in other concrete construction activities, such as setting of forms or laying of rebar, then the appropriate construction classification would apply.

SCOPE

Code 9534 is applied to <u>insuredsemployers</u> that <u>engage in perform</u> mobile crane, hoisting, or rigging operations for others provided such operations are not otherwise classified in the **Basic Manual**.

When mobile crane, hoisting, or rigging operations are performed by an <u>insuredemployer</u> as a normal and incidental part of an <u>insured'semployer's</u> construction or erection operations, these mobile crane, hoisting, or rigging operations are assigned to the <u>insured'semployer's</u> construction or erection operation that required this work. For example, hoisting or rigging operations performed by a concrete construction contractor as part of the concrete construction work are assigned to the concrete construction class applicable that applies to the work for which the crane, hoisting, or rigging operation is performed.

When mobile crane, hoisting, or rigging operations are performed by an insured employer as a specialty service for others, this work is classified to Code 9534.

The Code 9534 assignment is also made at a job or location at which an insured is engaged in employer performs mobile crane, hoisting, or rigging operations and any other operations, be they of a construction, erection, or other nature for which mobile crane, hoisting, or rigging operations are not ordinarily eentemplated included. For example, a contractor is engaged to performs paving operations and provides mobile crane, hoisting, or rigging services at a particular job. As paving work does not ordinarily eentemplate include mobile crane, hoisting, or rigging operations, the appropriate paving code is assigned to the paving work and Code 9534 is assigned to the mobile crane, hoisting or rigging operations.

This classification contemplates insureds includes employers that engage in rigging rig steel derricks that are used in connection with the erection of steel structures. In connection with such work, particularly in tall buildings, it is necessary from time to time to move the derricks to higher levels as the construction progresses. If this work is undertaken by the steel erecting contractor, the payroll is assigned to the appropriate steel construction classification, but when it is undertaken by a specialist mobile crane, hoisting, or rigging contractor, Code 9534 is assigned.

Rigging concerns that <u>engage in perform</u> the moving and hoisting of heavy articles from the ground to upper stories of buildings from the outside or vice versa by use of cranes with long booms or block and tackle, chain, rope, or wire cable also fall within the scope of this classification, as well as <u>risksemployers</u> that install chimes or bells in towers or similar structures.

The leasing or rental of mobile cranes and other hoisting devices without operators is assigned to Code 8107—Machinery Dealer NOC.

The following describes scaffolding operations and their proper classification assignments when the scaffolding installations are being performed by an <u>insuredemployer</u> for which no other classification such as a construction or erection classification as described above is more appropriate:

EXHIBIT 8-RULE (CONT'D) BASIC MANUAL—2001 EDITION—VIRGINIA FACT SHEET 5—TRUCKING & TOWING SPECIAL CLASSIFICATIONS (Applies in: VA)

9534	Scaffolding—Suspended or Swinging Scaffold Installation, Repair or Removal & Drivers
9534	Scaffolding—Outrigger Scaffold Installation, Repair or Removal & Drivers
5057	<u>Scaffolding</u> —Scaffold Installation, Repair or Removal Built Up From the Ground—Not Suspended or Swinging Type
5057	Scaffolding—Concrete or Cement Distributing Towers Installation, Repair or Removal
5403	Scaffolding—Sidewalk Bridges Not Over One Story in Height
7228	Delivery of Materials Only—No Installation, Repair or Removal
7229	Delivery of Materials Only—No Installation, Repair or Removal
<u>7219</u>	Scaffolding—Delivery of Materials Only—No Installation, Repair, or Removal

Please refer to Code 5403 for extraterritorial premium determination guidelines that may be applicable apply to insuredsemployers that have operations outside their headquarters' state.

State Addendum

Massachusetts

Gode 9534 is applied to insureds that engage in mobile crane, hoisting or rigging operations for others provided such operations are not otherwise classified in the MA Manual.

Seaffolding: Contractors that erect, repair or remove scaffolds or cement distributing towers, sidewalk bridges or hod hoists, or construction elevators as an incidental part of their construction work to be separately rated. Such operations, when so performed, are to be included in the classification with which the work is associated. Refer to Godes 5403, 7219, and 9533 for other scaffolding and scaffolding related operations conducted by specialist contractors (Codes 7228 and 7229 are N/A MA).

Specialty concrete pumping operations conducted by specialty contractors are assigned by analogy to Class Code 9534—Mobile Crane and Hoisting Service Contractors—NOC—Including Yard Employees & Drivers. In accordance with Rule IV F-2.—Business Not Described by Any Classification, as detailed in the MA Manual, the appropriate classification phraseology should read as follows: Concrete: Pumping—Specialty Contractor Only—Including Yard Employees & Drivers. It is important to note that any and all concrete pumping operations conducted by concrete construction crews remain properly assigned to the appropriate concrete construction classification(s) applicable to which the concrete is being pumped, not Code 9534.

EXHIBIT 9-RULE—STATE-SPECIFIC TRANSITION PROGRAM

TWO-PHASE TRANSITION PROGRAM

(Applies in: AL, AR, AZ, CO, FL, GA, HI, IA, ID, IL, IN, KS, KY, MD, MO, MS, NV, OK, OR, RI, SC, TN, VA)

The following details the two-phase transition program implementing the loss costs/rates and rating values for the code being discontinued and the acquiring code. NCCI will administer this program through each state's specific loss cost/rate classification experience filing revision process.

Phase 1 of the transition program will be made effective with each state's approved loss cost/rate filing effective on and after October 1, 2017 unless otherwise noted. For example, Phase 1 will become effective January 1, 2018 for approved loss cost/rate filings that have a January 1, 2018 effective date. If there is no loss cost/rate filing for a state in a given approved implementation year, Phase 1 will take effect on that state's regular loss cost/rate effective date. The regular loss cost/rate effective date is the anniversary date of the state's previous years' loss cost/rate effective date. The same rule would apply to Phase 2 in the following year.

The following details the steps needed to implement the loss costs/rates and rating values for the code being discontinued and the acquiring code, within each of the classification's loss cost/rate filings. An example of the two-phase transition program calculation, including the weight value calculation, is shown in subsequent pages of this exhibit. Rating values, which will be based on the final NCCI proposed loss costs/rates, will be calculated according to the standard procedure.

- A. Risks will continue to be classified to either the code being discontinued or the acquiring code as appropriate until the second phase of the transition program.
- B. As part of Phase 1 of the two-phase transition program, the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code will be calculated using the latest available year's payroll and the standard calculated loss cost/rate of the two individual codes. If the payroll-weighted loss cost/rate is within the swing limits determined for the code being discontinued and the acquiring code, then each of these codes will take on the payroll-weighted loss cost/rate.

If the payroll-weighted loss cost/rate is outside of the filing's swing limits for any of the codes, then the loss cost/rate for each of the codes will be determined by a methodology weighting together (1) the payroll-weighted loss cost/rate and (2) the standard calculated loss cost/rate for each code. The ratio used in this methodology will be first determined by calculating the maximum weighting value given to the payroll-weighted loss cost/rate in order to keep the loss costs/rates for the code being discontinued and the acquiring code within the swing limits of the filing. However, a 50% minimum weighting value must be used regardless of the swing limits to execute the transition program within two years.

C. As part of Phase 2 of the two-phase transition program, the applicable code will be discontinued. All insured operations previously assigned to the code being discontinued will be assigned to the acquiring code. The loss cost/rate for the acquiring code will be the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code, using the latest available year's payroll and the standard calculated loss cost/rate of the two individual codes.

EXHIBIT 9-RULE—STATE-SPECIFIC TRANSITION PROGRAM

EXAMPLE OF TWO-PHASE TRANSITION PROGRAM CALCULATION

(Applies in: AL, AR, AZ, CO, FL, GA, HI, IA, ID, IL, IN, KS, KY, MD, MO, MS, NV, OK, OR, RI, SC, TN, VA)

Note: The loss costs/rates used in the following example are for illustration purposes only and are not the actual loss costs/rates in use, nor do they represent expected actual loss costs/rates for the codes indicated.

In the following example, the "Payroll-Weighted Loss Cost/Rate" for each year can be calculated by using the "NCCI Initially Calculated Loss Cost/Rate" and the payroll for the latest available year.

The following assumptions are made for this example:

	Code XXX1	Code XXX2	Code XXX3
Payroll \$	400,000	700,000	3,000,000
Phase 1 Loss Cost/Rate	21.00	10.50	11.81
Phase 2 Loss Cost/Rate	19.78	12.25	11.57

(Payroll is assumed to remain constant throughout the transition period.)

The "Payroll-Weighted Loss Cost/Rate" is calculated as follows:

$$\frac{[(400,000 \times 21.00) + (700,000 \times 10.50) + (3,000,000 \times 11.81)]}{(400,000 + 700,000 + 3,000,000)} = 12.48$$

Additionally, the swing limits are assumed to be plus or minus 25%. **Note:** The weight value used represents the largest possible value keeping the loss cost/rate changes within the swing limits. The weight value below is subject to a minimum of 0.50 for Phase 1 and 1.00 for Phase 2 without regard to swing limits in order to transition the loss costs/rates within two years.

EXAMPLE—FOR ILLUSTRATIVE PURPOSES ONLY								
	Weight Value	Class Code	Payroll-Weighted Loss Cost/Rate		NCCI Initially Calculated Loss Cost/Rate		Final NCCI Loss Cost/Rate	
		XXX1	(0.57 x 12.48)	+	(0.43 x 21.00)	=	16.14	
Filing Effective in Phase 1	0.57*	XXX2	(0.57 x 12.48)	+	(0.43 x 10.50)	=	11.63	
1 11400 1		XXX3	(0.57 x 12.48)	+	(0.43 x 11.81)	=	12.19	
		XXX1	(1.00 x 12.49)	+	(0.00 x 19.78)	=	12.49	
Filing Effective in Phase 2	1.00	XXX2	(1.00 x 12.49)	+	(0.00 x 12.25)	=	12.49	
		XXX3	(1.00 x 12.49)	+	(0.00 x 11.57)	=	12.49	

^{*} Refer to "Example of Two Phase Weight Value Calculation" on the following page.

EXHIBIT 9-RULE—STATE-SPECIFIC TRANSITION PROGRAM (CONT'D)

EXAMPLE OF TWO-YEAR WEIGHT VALUE CALCULATION

(Applies in: AL, AR, AZ, CO, FL, GA, HI, IA, ID, IL, IN, KS, KY, MD, MO, MS, NV, OK, OR, RI, SC, TN, VA)

Note: The weight value calculation in the following example is for illustration purposes only and is not the actual weight value calculation in use, nor does it represent the expected actual weight value calculation for the codes indicated.

In the following example, the loss costs/rates are calculated for each class code by utilizing successively higher weight values until the largest weight value is found that keeps the loss costs/rates within swing limits. However, depending on which phase of the transition the filing is effective, this weight value is subject to minimums **without regard to swing limits**. These minimums are 0.50 for Phase 1 and 1.00 for Phase 2. For the purposes of illustration, the codes are represented as XXX1, XXX2, and XXX3.

The following assumptions are made for this example:

- 1. The swing limits are plus or minus 25%.
- 2. The loss costs/rates are as follows:

	Loss Cost/Rate for Code XXX1	Loss Cost/Rate for Code XXX2	Loss Cost/Rate for Code XXX3
Last Approved Filing	21.49	11.32	11.05
Phase 1	16.14	11.63	12.19

	Weight Calculation Table								
Phase 1	Code	XXX1	Code	XXX2	Code XXX3				
Weight Value	Calculated Loss Cost/Rate Given Weight Value	Loss Cost/Rate Change %	Calculated Loss Cost/Rate Given Weight Value	Loss Cost/Rate Change %	Calculated Loss Cost/Rate Given Weight Value	Loss Cost/ Rate Change %			
0.50	16.74	-22.1%	11.49	1.5%	12.15	10.0%			
0.51	16.65	-22.5%	11.51	1.7%	12.15	10.0%			
0.52	16.57	-22.9%	11.53	1.9%	12.16	10.0%			
0.53	16.48	-23.3%	11.55	2.0%	12.17	10.1%			
0.54	16.40	-23.7%	11.57	2.2%	12.17	10.1%			
0.55	16.31	-24.1%	11.59	2.4%	12.18	10.2%			
0.56	16.23	-24.5%	11.61	2.6%	12.19	10.3%			
0.57	16.14	-24.9%	11.63	2.7%	12.19	10.3%			
0.58	16.06	-25.3%	11.65	2.9%	12.20	10.4%			
0.59	15.97	-25.7%	11.67	3.1%	12.21	10.5%			
0.60	15.89	-26.1%	11.69	3.3%	12.21	10.5%			
0.61	15.80	-26.5%	11.71	3.4%	12.22	10.6%			
continues									

EXHIBIT 10-RULE—STATE-SPECIFIC TRANSITION PROGRAM

THREE-PHASE TRANSITION PROGRAM

(Applies in: AL, AR, AZ, CT, FL, GA, IL, IN, KS, LA, MO, NM, OK, OR, SC, SD, TN, TX, VA, VT, WV)

The following details the three-phase transition program implementing the loss costs/rates and rating values for the code being discontinued and the acquiring code. NCCI will administer this program through each applicable state's loss cost/rate classification experience filing revision process.

Phase 1 of the transition program will be made effective with each state's approved loss cost/rate filing effective on and after October 1, 2017 unless otherwise noted. For example, Phase 1 will become effective January 1, 2018 for approved loss cost/rate filings that have a January 1, 2018 effective date. If there is no loss cost/rate filing for a state in a given approved implementation year, Phase 1 will take effect on that state's regular loss cost/rate effective date. The regular loss cost/rate effective date is the anniversary date of the state's previous years' loss cost/rate effective date. The same rule would apply to Phase 2 and Phase 3 in the subsequent years.

The following details the steps needed to implement the loss costs/rates for the code being discontinued and the acquiring code within each of the classification's loss cost/rate filings. An example of the three-phase transition program calculation, including the weight value calculation, is shown in subsequent pages of this exhibit. Rating values, which will be based on the final NCCI proposed loss costs/rates, will be calculated according to the standard procedure.

- A. Risks will continue to be classified to either the code being discontinued or the acquiring code as appropriate until the third phase of the transition program.
- B. As part of Phase 1 of the three-phase transition program, the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code will be calculated using the latest available year's payroll and the standard calculated loss cost/rate of the two individual codes. If the payroll-weighted loss cost/rate is within the swing limits determined for the code being discontinued and the acquiring code then each of these codes will take on the payroll-weighted loss cost/rate.
 - If the payroll-weighted loss cost/rate is outside of the filing's swing limits for any of the codes, then the loss cost/rate for each of the codes will be determined by a methodology weighting together (1) the payroll-weighted loss cost/rate and (2) the standard calculated loss cost/rate for each code. The ratio used in this methodology will be first determined by calculating the maximum weighting value given to the payroll-weighted loss cost/rate in order to keep the loss costs/rates for the code being discontinued and the acquiring code within the swing limits of the filing. However, a 33% minimum weighting value must be used regardless of the swing limits to execute the transition program within three years.
- C. As part of Phase 2 of the three-phase transition program, the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code will be calculated using the latest available year's payroll and the standard calculated loss cost/rate of the two individual codes. If the payroll-weighted loss cost/rate is within the swing limits determined for the code being discontinued and the acquiring code, then each of the codes will take on the payroll-weighted loss cost/rate.
 - If the payroll-weighted loss cost/rate is outside of the filing's swing limits for any of the codes, then the loss cost/rate for each of the codes will be determined by a methodology weighting together (1) the payroll-weighted loss cost/rate and (2) the standard calculated loss cost/rate for each code. The ratio used in this methodology will be first determined by calculating the maximum weighting value given to the payroll-weighted loss cost/rate in order to keep the loss costs/rates for the code being discontinued and the acquiring code within the swing limits of the filing. However, a 67% minimum weighting value must be used regardless of the swing limits to execute the transition program within three years.

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

B-1435 PAGE 357

ITEM B-1435—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP. INCLUDING TRUCKING AND TOWING

EXHIBIT 10-RULE—STATE-SPECIFIC TRANSITION PROGRAM (CONT'D)

D. As part of Phase 3 of the three-phase transition program, the applicable code will be discontinued. All insured operations previously assigned to the code being discontinued will be assigned to the acquiring code. The loss cost/rate for the acquiring code will be the payroll-weighted loss cost/rate of the code being discontinued and the acquiring code, using the latest available year's payroll and the standard calculated loss cost/rate of the two individual codes.

EXHIBIT 10-RULE—STATE-SPECIFIC TRANSITION PROGRAM

EXAMPLE OF THREE-PHASE TRANSITION PROGRAM CALCULATION

(Applies in: AL, AR, AZ, CT, FL, GA, IL, IN, KS, LA, MO, NM, OK, OR, SC, SD, TN, TX, VA, VT, WV)

Note: The loss costs/rates used in the following example are for illustration purposes only and are not the actual loss costs/rates in use, nor do they represent expected actual loss costs/rates for the codes indicated.

In the following example, the "Payroll-Weighted Loss Cost/Rate" for each year can be calculated by using the "NCCI Initially Calculated Loss Cost/Rate" and the payroll for the latest available year.

The following assumptions are made for this example:

	Code XXX1	Code XXX2	Code XXX3
Payroll \$	635,000	713,000	35,000
Phase 1 Initial Loss Cost/Rate	3.00	1.50	1.83
Phase 2 Initial Loss Cost/Rate	2.80	1.90	1.87
Phase 3 Initial Loss Cost/Rate	2.50	2.00	1.95

(Payroll is assumed to remain constant throughout the transition period.)

The "Payroll-Weighted Loss Cost/Rate" is calculated as follows:

$$\frac{[(635,000 \times 3.00) + (713,000 \times 1.50) + (35,000 \times 1.83)]}{(635,000 + 713,000 + 35,000)} = 2.20$$

Additionally, the swing limits are assumed to be plus or minus 25%. **Note:** The weight value used represents the largest possible value keeping the loss cost/rate changes within the swing limits. The third phase (final phase) weight value is assumed to be 1.00. The weight value below is subject to a minimum of 0.33 for Phase 1, 0.67 for Phase 2 and 1.00 for Phase 3 without regard to swing limits in order to transition the loss costs/rates within three years.

EXHIBIT 10-RULE—STATE-SPECIFIC TRANSITION PROGRAM (CONT'D)

	EXAMPLE—FOR ILLUSTRATIVE PURPOSES ONLY								
	Weight Value	Class Code	Payroll-Weighted Loss Cost/Rate		NCCI Initially Calculated Loss Cost/Rate		Final NCCI Loss Cost/Rate		
		XXX1	(0.36 x 2.20)	+	(0.64 x 3.00)	II	2.71		
Filing Effective in Phase 1	0.36*	XXX2	(0.36 x 2.20)	+	(0.64 x 1.50)	II	1.75		
1 11000 1		XXX3	(0.36 x 2.20)	+	(0.64 x 1.83)	II	1.96		
		XXX1	(0.69 x 2.31)	+	(0.31 x 2.80)	II	2.46		
Filing Effective in Phase 2	0.69*	XXX2	(0.69 x 2.31)	+	(0.31 x 1.90)	II	2.18		
1 11000 2		XXX3	(0.69 x 2.31)	+	(0.31 x 1.87)	II	2.17		
Filing Effective in Phase 3		XXX1	(1.00 x 2.23)	+	(0.00 x 2.50)		2.23		
	1.00	XXX2	(1.00 x 2.23)		(0.00 x 2.00)		2.23		
		XXX3	(1.00 x 2.23)		(0.00 x 1.95)		2.23		

^{*} Refer to "Example of Three Phase Weight Value Calculation" on the following page.

EXHIBIT 10-RULE—STATE-SPECIFIC TRANSITION PROGRAM (CONT'D)

EXAMPLE OF THREE-PHASE WEIGHT VALUE CALCULATION

Note: The weight value calculations in the following example are for illustration purposes only and are not the actual weight values in use, nor do they represent expected actual weight values for the codes indicated.

In the following example, the loss costs/rates are calculated for each class code by utilizing successively higher weight values until the largest weight value is found that keeps the loss costs/rates within swing limits. However, depending on which phase of the transition the filing is effective, this weight value is subject to minimums **without regard to swing limits**. These minimums are 0.33 for Phase 1, 0.67 for Phase 2 and 1.00 for Phase 3. For the purposes of illustration, the codes are represented as XXX1, XXX2, and XXX3.

The following assumptions are made for this example:

- 1. The swing limits are plus or minus 25%.
- 2. The loss costs/rates are as follows:

	Loss Cost/Rate for Code XXX1	Loss Cost/Rate for Code XXX2	Loss Cost/Rate for Code XXX3
Last Approved Filing	3.05	1.40	1.80
Phase 1	2.71	1.75	1.96
Phase 2	2.46	2.18	2.17

	EXAMPLE—FOR ILLUSTRATIVE PURPOSES ONLY								
Weight Calculation Table									
	Code	XXX1	Code	XXX2	Code	XXX3			
Weight Value	t Giron moight Error Error Giron moight Error Error		Loss Cost/Rate Change %	Calculated Loss Cost/Rate Given Weight Value	Loss Cost/ Rate Change %				
Phase 1									
0.33	2.74	-10.2%	1.73	23.6%	1.95	8.3%			
0.34	2.73	-10.5%	1.74	24.3%	1.96	8.9%			
0.35	2.72	-10.8%	1.75	25.0%	1.96	8.9%			
0.36	2.71	-11.1%	1.75	25.0%	1.96	8.9%			
0.37	2.70	-11.5%	1.76	25.7%	1.97	9.4%			
Phase 2									
0.66	2.48	-8.5%	2.17	24.0%	2.16	10.2%			
0.67	2.47	-8.9%	2.17	24.0%	2.16	10.2%			
0.68	2.47	-8.9%	2.18	24.6%	2.17	10.7%			
0.69	2.46	-9.2%	2.18	24.6%	2.17	10.7%			
0.70	2.46	-9.2%	2.18	25.1%	2.18	11.2%			

EXHIBIT 11-RULE STATISTICAL PLAN—2008 EDITION PART 6— CODING VALUES H. STATISTICAL CODES

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	Effective Date	Discontinuation Date
Non-Ratable Portion of Class Code Rate	0761	+	СО	01/01/87	12/31/17
Non-Ratable Portion of Class Code Rate	0773	+	GA	01/01/87	02/28/18
Non-Ratable Portion of Class Code Rate	0790	+	AZ	01/01/86	12/31/17
Non-Ratable Portion of Class Code Rate	0790	+	МО	01/01/86	<u>12/31/17</u>

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 4—LOSS PREVENTION

(Applies in: AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, SC, SD, TN, VA, WV)

(Approval required in: AR, DE, GA, IN, KS, MS, NH, SD)

D. Qualifying Employers and Survey Location Determination

Loss Prevention Survey Table¹

Premium Range	Governing Classification Codes				
\$20,000 to \$49,999	<u>7219</u>	<u>7225</u>	7228 ²	7229 ²	

¹ The content in this exhibit proposes to remove Codes 7228 and 7229 and replace them with Code 7219 in the Loss Prevention Survey Table. In addition, this exhibit proposes to add Code 7225 to the Loss Prevention Survey Table. The content is not a complete replacement of the existing Loss Prevention Survey Table content previously approved.

² Codes 7228 and 7229 will remain in the Loss Prevention Survey Table until the Arkansas transition program is complete, expected to be 7/1/2018 based on Arkansas' current approved loss cost/rate filing effective date. Once complete, NCCI will update the Loss Prevention Survey Table to remove Codes 7228 and 7229.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS

PERFORMANCE STANDARD 6—AUDITS

(Applies in: AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Approval required in: AR, DE, GA, IN, KS, MS, NH, OR, SD)

- C. Qualifying Employers
- 1. Preliminary Physical Audits (PPA)
- a. New Business

PPAs must be completed in accordance with the PPA—New Business Table.

PPA—New Business Table¹

Premium Range	Governing	Governing Classification Codes						
\$10,000 to \$49,999	<u>7219</u>	<u>7225</u>	7228 ²	7229 ²				
\$5,000 to \$9,999	<u>7219</u>	<u>7225</u>	7228 ²	7229 ²				

¹ The content in this exhibit proposes to remove Codes 7228 and 7229 and replace them with Code 7219. In addition, this exhibit proposes to add Code 7225 to the PPA—New Business Table. The content is not a complete replacement of the existing PPA—New Business Table content previously approved.

² Codes 7228 and 7229 will remain in the PPA—New Business Table until the Arkansas transition program is complete, expected to be 7/1/2018 based on Arkansas' current approved loss cost/rate filing effective date. Once complete, NCCI will update the PPA—New Business Table to remove Codes 7228 and 7229.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS

PERFORMANCE STANDARD 6—AUDITS

(Applies in: AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Approval required in: AR, DE, GA, IN, KS, MS, NH, OR, SD)

- C. Qualifying Employers
- 2. Final Physical Audits
- a. New Business

Final physical audits must be completed in accordance with the Final Physical Audit—New Business Table.

Final Physical Audit—New Business Table¹

Premium Range	Governing	Classification Codes			
\$5,000 to \$49,999	<u>7219</u>	<u>7225</u>	7228 ²	7229 ²	
\$1,000 to \$4,999	<u>7219</u>	<u>7225</u>	7228 ²	7229 ²	

¹ The content in this exhibit proposes to remove Codes 7228 and 7229 and replace them with Code 7219. In addition, this exhibit proposes to add Code 7225 to the Final Physical Audit—New Business Table. The content is not a complete replacement of the existing Final Physical Audit—New Business Table content previously approved.

² Codes 7228 and 7229 will remain in the Final Physical Audit—New Business Table until the Arkansas transition program is complete, expected to be 7/1/2018 based on Arkansas' current approved loss cost/rate filing effective date. Once complete, NCCI will update the Final Physical Audit—New Business Table to remove Codes 7228 and 7229.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS

PERFORMANCE STANDARD 6—AUDITS

(Applies in: AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, SC, SD, TN, VA, VT, WV)

(Approval required in: AR, DE, GA, IN, KS, MS, NH, SD)

- C. Qualifying Employers
- 2. Final Physical Audits
- c. Renewal Business

Final physical audits must be completed in accordance with the Final Physical Audit—Renewal Business Table.

Final Physical Audit—Renewal Business Table¹

Premium Range	Governing	Classification Codes			
\$1,000 to \$19,999	<u>7219</u>	<u>7225</u>	7228 ²	7229 ²	

¹ The content in this exhibit proposes to remove Codes 7228 and 7229 and replace them with Code 7219. In addition, this exhibit proposes to add Code 7225 to the Final Physical Audit—Renewal Business Table. The content is not a complete replacement of the existing Final Physical Audit—Renewal Business Table content previously approved.

² Codes 7228 and 7229 will remain in the Final Physical Audit—Renewal Business Table until the Arkansas transition program is complete, expected to be 7/1/2018 based on Arkansas' current approved loss cost/rate filing effective date. Once complete, NCCI will update the Final Physical Audit—Renewal Business Table to remove Codes 7228 and 7229.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 4—LOSS PREVENTION (Approval required in: AK)

D. Qualifying Employers and Survey Location Determination

Change the Loss Prevention Survey Table as follows:

Loss Prevention Survey Table¹

Premium Range	Governing Classification Codes
\$25,000 to \$34,999	<u>7225</u>

¹ The content in this exhibit proposes to add Code 7225 to the Alaska Loss Prevention Survey Table. The content is not a complete replacement of the existing Loss Prevention Survey Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS (Approval required in: AK)

- C. Qualifying Employers
- 1. Preliminary Physical Audits (PPA)
- a. New Business

Change the PPA—New Business Table as follows:

PPA—New Business Table¹

Premium Range	Governing Classification Codes
\$15,000 to \$49,999	<u>7225</u>

¹ The content in this exhibit proposes to add Code 7225 to the Alaska PPA—New Business Table. The content is not a complete replacement of the existing PPA—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS

(Applies in: CT)

- C. Qualifying Employers
- 1. Preliminary Physical Audits (PPA)
- a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table¹

Premium Range	Governing Classification Codes	
\$3,000 to \$4,999	<u>7219</u>	7228
\$1,250 to \$2,999	<u>7219</u>	7228

¹ The content in this exhibit proposes to remove Code 7228 and replace it with Code 7219 in the Connecticut PPA—New Business Table. The content is not a complete replacement of the existing PPA—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS 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 Table¹

Premium Range	Governing Classification Codes
\$20,000 to \$49,999	4773

¹ The content in this exhibit proposes to remove Code 4773 from the Georgia Loss Prevention Survey Table. The content is not a complete replacement of the existing Loss Prevention Survey Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS (Approval required in: GA)

- C. Qualifying Employers
- 1. Preliminary Physical Audits (PPA)
- a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table¹

Premium Range	Governing Cla	ssification Codes		
\$4,000 to \$4,999	<u>7219</u>	<u>7225</u>	7228	

¹ The content in this exhibit proposes to remove Code 7228 and replace it with Code 7219 in the Georgia PPA—New Business Table. In addition, this exhibit proposes to add Code 7225 to the Georgia PPA—New Business Table. The content is not a complete replacement of the existing PPA—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 4—LOSS PREVENTION (Applies in: ID)

D. Qualifying Employers and Survey Location Determination

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table¹

Premium Range	Governing Classification Codes	
\$20,000 to \$49,999	7219	8277

¹ The content in this exhibit proposes to remove Code 7219 and replace it with Code 7219 in the National Loss Prevention Survey Table. In addition, this exhibit proposes to remove Code 8277 and replace it with Code 8279 in the National Loss Prevention Survey Table. The content is not a complete replacement of the existing Loss Prevention Survey Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS

(Applies in: ID)

- C. Qualifying Employers
- 1. Preliminary Physical Audits (PPA)
- a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table¹

Premium Range	Governing Classification Codes	
\$10,000 to \$49,999	7219	8277
\$5,000 to \$9,999	7219	8277

¹ The content in this exhibit proposes to remove Codes 7219 and 8277 and replace them with Codes 7219 and Code 8279 respectively in the National PPA—New Business Table. The content is not a complete replacement of the existing PPA—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS

(Applies in: ID)

- C. Qualifying Employers
- 2. Final Physical Audits
- a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table¹

Premium Range	Governing Classification Codes	
\$5,000 to \$49,999	7219	8277
\$1,000 to \$4,999	7219	8277

¹ The content in this exhibit proposes to remove Codes 7219 and 8277 and replace them with Codes 7219 and Code 8279 respectively in the National Final Physical Audit—New Business Table. The content is not a complete replacement of the existing Final Physical Audit—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS

(Applies in: ID)

- C. Qualifying Employers
- 2. Final Physical Audits
- c. Renewal Business

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table¹

Premium Range	Governing Classification Codes	
\$1,000 to \$19,999	7219	8277

¹ The content in this exhibit proposes to remove Codes 7219 and 8277 and replace them with Code 7219 and Code 8279 respectively in the National Final Physical Audit—Renewal Business Table. The content is not a complete replacement of the existing Final Physical Audit—Renewal Business Table content previously approved.

EXHIBIT 12-RULE NEW MEXICO WORKERS' COMPENSATION ASSIGNED RISK POOL MANUAL RULE 9—SERVICING CARRIER PERFORMANCE STANDARDS D. AUDITS

(Approval required in: NM)

1. Audit Procedures

- a. Unless there is unreasonable delay caused by the insured or a bona fide dispute, audits will be completed, billed, and recorded on the servicing carrier records within ninety (90) days of policy expiration or cancellation.
- b. If an insured disputes an audit, the servicing carrier should contact the insured and resolve the accuracy of the audit within sixty (60) days from the date of receipt of written notice of the dispute. The dispute should be concluded either by revising the audit billing, or by written notice to the insured that the original audit is accurate or by notifying the insured of its right to appeal to the Workers' Compensation Dispute Board.
- c. Physical audits are to be conducted in accordance with the following minimum frequencies for all risks except domestic servants. All preliminary physical audits must be completed within one hundred twenty (120) calendar days of the policy effective date.

(1) New Policies

- (a) Premium range \$50,000 and over: A preliminary physical audit and a final physical audit must be completed on all risks regardless of governing class code.
- (b) \$10,000 to \$49,999: A preliminary physical audit and a final physical audit must be completed on all risks with governing class codes in one of the categories listed under Rule 9-D-1-d. All other risks must receive a final physical audit.
- (c) \$5,000 to \$9,999: A final physical audit must be completed on all risks regardless of governing class code.
- (d) \$1 to \$4,999: A final physical audit must be completed on all risks with a construction, carpentry or masonry governing class code. A final mail or telephone audit must be completed for all other risks.
- (e) All premium ranges: A preliminary physical audit and a final physical audit must be completed on all risks engaged in leasing employees to others.

(2) Renewal Policies

- (a) Premium \$10,000 and over: A final physical audit must be completed on all risks regardless of governing class code.
- (b) \$1 to \$9,999: A final physical audit must be completed at least once every three years for all risks with a construction, carpentry, or masonry governing class code. A final mail or telephone audit must be completed on all risks, regardless of governing class code, that are not receiving a physical audit.
- (c) All premium ranges: A final physical audit must be completed on all risks engaged in leasing employees to others.

d. Special Categories

Listed below are the special categories that have additional audit requirements as stated in Rule 9-D-1-c(1)(b):

General CategoryApplicable Class CodeAmusements9016Auto Sales/Service/Repair8380, 8393

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EXHIBIT 12-RULE (CONT'D) NEW MEXICO WORKERS' COMPENSATION ASSIGNED RISK POOL MANUAL RULE 9—SERVICING CARRIER PERFORMANCE STANDARDS D. AUDITS

(Approval required in: NM)

General Category	Applicable Class Code
Coal Mine	All Classes
Construction/Carpentry/Mason	All Classes
Farm Related	0016, 0036, 0037, 0050
Food Service/Restaurants	9082, 9083, 9084
Fuel Related/Oil, Gas, Energy	All Classes
Health Care	8829
Janitorial	All Classes
Landscaping	0042
Lumbering	All Classes
Salespersons—Outside	8742, 8745
Security Services	All Classes
Trucking	All Classes, 7225

- e. Physical audits will be made whenever requested by the insured with reasonable grounds.
- f. Mail or telephone audit reports by the insured are permitted only where a physical audit is not required. Adequate documentation must be maintained in file.
- g. The most recent IRS 940 form or its equivalent must be requested from the insured on all mail and telephone audits, to assess reasonableness of reported payroll.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 4—LOSS PREVENTION (Approval required in: OR)

D. Qualifying Employers and Survey Location Determination

Change the Loss Prevention Survey Table as follows:

Loss Prevention Survey Table¹

I	Premium Range	Governing Classification Codes
Ī	\$20,000 to \$49,999	<u>7225</u>

¹ The content in this exhibit proposes to add Code 7225 to the Oregon Loss Prevention Survey Table. The content is not a complete replacement of the existing Loss Prevention Survey Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS (Approval required in: OR)

- C. Qualifying Employers
- 1. Preliminary Physical Audits (PPA)
- a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table¹

Premium Range	Governing Classification Codes
\$10,000 to \$49,999	7219
\$5,000 to \$9,999	7219

¹ The content in this exhibit proposes to remove Code 7219 and replace it with Code 7219 in the National PPA—New Business Table. The content is not a complete replacement of the existing PPA—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS (Approval Required in: OR)

- C. Qualifying Employers
- 2. Final Physical Audits
- a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table¹

Premium Range Governing Classification Codes					
\$5,000 to \$49,999	7219				
\$1,000 to \$4,999	7219				

¹ The content in this exhibit proposes to remove Code 7219 and replace it with Code 7219 in the National Final Physical Audit—New Business Table. The content is not a complete replacement of the existing Final Physical Audit—New Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 6—AUDITS (Approval required in: OR)

- C. Qualifying Employers
- 2. Final Physical Audits
- c. Renewal Business

Change the Final Physical Audit—Renewal Business Table as follows:

Final Physical Audit—Renewal Business Table¹

Premium Range	Governing Classification Codes
\$10,000 and over	<u>7225</u>

¹ The content in this exhibit proposes to add Code 7225 to the Oregon Final Physical Audit—Renewal Business Table. The content is not a complete replacement of the existing Final Physical Audit—Renewal Business Table content previously approved.

EXHIBIT 12-RULE

ASSIGNED CARRIER PERFORMANCE STANDARDS PERFORMANCE STANDARD 4—LOSS PREVENTION

(Applies in: VT)

D. Qualifying Employers and Survey Location Determination

Change the Loss Prevention Survey Table as follows:

Loss Prevention Survey Table¹

Premium Range	Governing Classification Codes						
\$20,000 to \$49,999	<u>7219</u>	<u>7225</u>	7228	7229			

¹ The content in this exhibit proposes to remove Codes 7228 and 7229 and replace them with Code 7219 in the Vermont Loss Prevention Survey Table. In addition, this exhibit proposes to add Code 7225 to the Vermont Loss Prevention Survey Table. The content is not a complete replacement of the existing Loss Prevention Survey Table content previously approved.

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN FLORIDA
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FORM 09-4D—FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM WORKERS COMPENSATION PREMIUM CREDIT APPLICATION (FORM 09-4 Θ)

(Name of Insured) (Address) (Anytown, State, Zip Code)

FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

The Florida Contracting Classification Premium Adjustment Program is applicable to qualifying employers engaged in contracting operations.

A special premium calculation, which may result in a premium credit for you, will be based on average hourly pay rates for each classification of contracting operations. In order that your premium may be correctly established, please return the completed premium credit application, as set out on the reverse side of this letter, to the:

National Council on Compensation Insurance, Inc. Customer Service Center 901 Peninsula Corporate Circle Boca Raton, Florida 33487-1362

They will advise us of any premium credit applicable.

If NCCI does not receive this application during the policy period or within three (3) years after the policy period ends, your premium calculation will not reflect any possible premium credit.

For each applicable classification (both contracting and noncontracting) covering your company's operations in the state of Florida, report the *total* Florida payroll (excluding overtime premium pay, pay in excess of the maximum individual payroll for executive officers or the pay in excess of payroll amount charged to partners and sole proprietors as shown on the state rate pages, as well as the entire pay for any exempt sole proprietor, partner, or officer) and the corresponding *total* number of hours worked, *for the third calendar quarter (July, August, September) of the prior calendar year as reported to taxing authorities.*

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN FLORIDA (CONT'D) FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE FORM 09-4D—FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

Note #1. If you did not engage in contracting operations during the third quarter of the prior calendar year, the requested information to be provided should then be for the last complete calendar quarter prior to the effective date of your workers compensation policy.

Note #2. If you are a new business submit the requested information, for the first complete calendar quarter following the effective date of your workers compensation policy, when available.

Note #3. In the absence of specific records for salaried employees, you should assume that each individual worked forty (40) hours per week.

Please preserve your payroll records that formed the basis for this declaration as we will be required to verify the reported information in order for any premium credit to be applied.

Thank you for your cooperation.

Sincerely,

TURN PAGE OVER FOR PREMIUM CREDIT APPLICATION

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN FLORIDA (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FORM 09-4D—FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

INSURED:										
POLICY NO.:		EFFECTIVE DATE:								
CARRIER NAME:										
Notice:		ed and applica				ar quarter reported contact your agent if				
ls this a new	business? N	o Yes								
If no,		rmation for the ear as reporte			July, August, :	September) of the price	or			
If yes,		rmation for the		plete calendar	quarter follow	ring the effective date	of			
The following complete cal quarter endir	endar	actual wages	and hours wo	orked, as reflec	cted in our pa	yroll records, for the				
"Contracting	classifications	" are those cla	assifications s	ubject to the fo	ollowing code	numbers:				
0042	5057	5222	5478	5610	6206	6306				
0050	5059	5223	5479	5613	6213	6319				
1322	5069	5348	5480	5645	6214	6325				
2799	5102	5402	5491	5651	6216	6400				
3365	5146	5403	5506	5703	6217	7538				
3719	5160	5437	5507	5705	6229	7605				
3724	5183	5443	5508	6004	6233	7855				
3726	5188	5445	5509	6006F	6235	8227				

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN FLORIDA (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FORM 09-4D—FLORIDA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

5020	5190	5462	5535	6017	6236	9534
5022	5213	5472	5537	6018	6237	9554
5037	5215	5473	5551	6045	6251	
5040	5221	5474	5606	6204	6252	

CLASSIFICATION	CODI	F	TOTAL FLORIDA WAGES PAID ¹	TOTAL HOURS WORKED ²
Example: Electrical Wiring	5190)	\$8,000	520
Contracting Classifications:				
Noncontracting Classifications:				

These figures are to exclude overtime premium pay (e.g., employee makes \$16/hour and is paid time and one-half, only report the payroll based upon the \$16/hour), pay in excess of the maximum individual payroll for executive officers or the pay in excess of payroll amount charged to partners and sole proprietors as shown on the state rate pages, and the entire pay for any exempt sole proprietor, partner, or officer. For each classification code, combine all wages for that code in a single entry. Employee names are not required.

Any person	who knowingly	, and with inten	t to injure,	defraud, d	or deceive	any insurer,	files a st	atement or
claim or an	application con	taining any fals	e, incompl	ete, or mis	sleading in	formation, is	guilty of	a felony of
the third de	gree.							

SIGNATURE:	POSITION:	DATE:

Including overtime hours.

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN VIRGINIA FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE FORM 45-3D—VIRGINIA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (CCPAP) WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

(Name of Insured) (Address) (City, State, Zip Code)

VIRGINIA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM (CCPAP) WORKERS COMPENSATION PREMIUM CREDIT APPLICATION (FORM 45-39<u>E</u>)

The Virginia Contracting Classification Premium Adjustment program is applicable to qualifying employers engaged in contracting operations and is applicable to policies with effective dates on or after January 1, 1997. In order to qualify for the program, more than 50% of your manual premium must be attributable to one or more contracting classifications (as designated in the program) and you must be experience rated.

A special premium calculation, which may result in a premium credit for you, will be based on average hourly pay rates for each contracting classification. In order that your premium may be correctly established, please return the completed premium credit application, as set out on the reverse side of this letter, to:

NCCI Customer Service Center 901 Peninsula Corporate Circle Boca Raton, Florida 33487-1362

NCCI will advise of any premium credit applicable.

If NCCI does not receive this application within 180 days after policy inception or receipt of notification, your premium calculation will not reflect any possible premium credit.

For each applicable classification (both contracting and noncontracting) covering your company's operations in the Commonwealth of Virginia, report the total Virginia payroll reported to the Virginia Employment Commission and the corresponding total number of hours worked, for the third calendar quarter (July, August, September) of the year preceding your policy effective date as reported to taxing authorities.

- Note #1: If you did not engage in contracting operations during the third calendar quarter, provide the requested information for the last complete calendar quarter prior to the policy effective date of your workers compensation policy.
- Note #2: If you are a new business (no prior operations), submit the requested information for the first complete calendar quarter following the policy effective date of your workers compensation policy when available.
- Note #3: In the absence of specific records for salaried employees, you should assume that each individual worked 40 hours a week. Payroll for partners, sole proprietors, and corporate officers subject to contracting classifications will be allocated according to appropriate *Basic Manual* minimum and maximum payroll limitations.

You must preserve your payroll records that formed the basis for this declaration because we are required to verify the reported information in order to apply any premium credit.

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN VIRGINIA (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FORM 45-3D—VIRGINIA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM (CCPAP) WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

Thank you for your cooperation. Sincerely,

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN VIRGINIA (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FORM 45-3D—VIRGINIA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM (CCPAP) WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

WORKERS COMPENSATION—PREMIUM CREDIT APPLICATION

INSURED:									
POLI	CY NO.		POLICY EFFECT DATE						
CARF NAME									
Note:		and applica	ation is sig	ned and da			ndar quarter reported are cessed. Contact your agent		
Is this busine	a new	No 🗖 Ye	es 🗖						
If no,	submit info		the third cal			ıgust, Septe	ember) of the year preceding the		
If yes,		rmation for	•	•		following th	ne effective date of your workers		
	•	sed on actu		nd hours we	orked, as re	eflected in o	ur payroll records, for the		
"Contra	acting classifi	cations" are	e those clas	sifications s	subject to th	e following	code numbers:		
0042	5040	5213	5462	5535	6017	6235	7605		
0050	5057	5215	5472	5537	6018	6236	7611		
1322	5059	5221	5473	5551	6045	6237	7612		
2799	5067	5222	5474	5606	6204	6251	7613		
3365	5069	5223	5478	5610	6206	6252	7855		
3719	5102	5348	5479	5645	6213	6306	8227		
3724	5146	5402	5480	5651	6214	6319	9534		
3726	5160	5403	5491	5703	6216	6325	9554		
5020	5183	5437	5506	5705	6217	6400			
5022	5188	5443	5507	6003	6229	7538			
5037	5190	5445	5508	6005	6233	7601			

EXHIBIT 13-FORM—STATE-SPECIFIC FORM APPLYING IN VIRGINIA (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FORM 45-3D—VIRGINIA CONTRACTING CLASSIFICATION PREMIUM ADJUSTMENT
PROGRAM (CCPAP) WORKERS COMPENSATION PREMIUM CREDIT APPLICATION

CLASSIFICATION	CODE	TOTAL VIRGINIA WAGES PAID*	TOTAL HOURS WORKED
Example: Electrical Wiring	5190	\$8,000	520
Contracting Classifications:			

For each applicable classification (both contracting and noncontracting) covering your employer's operations in the Commonwealth of Virginia, report the total Virginia payroll reported to the Virginia Employment Commission, as well as the entire pay for any exempt sole proprietor, partner, or officer), and the corresponding total number of hours worked, for the third calendar quarter (July, August, September) of the year preceding your policy effective date as reported to taxing authorities.

year preceding your policy effective date as reported to taxing admontics.					
SIGNATURE:		POSITION:		DATE:	
	_	_			

This application must be completed and signed or it will not be processed.

^{*} For each classification code, combine all wages for that code in a single entry. Employee names are not required.