



Start Program Supplemental Application

Name of applicant: _____

Any employer seeking workers' compensation coverage in the Texas Mutual[®] Start Program must complete and submit this supplemental application along with the standard ACORD[®] application for workers' compensation insurance and other supplemental materials, as set forth below. Completed applications must include signatures for both the applicant and the agent and are required to bind. Submit to:

Texas Mutual Insurance Company, Start Program
underwriting@texasmutual.com or apps@texasmutual.com
P.O. Box 12058
Austin, Texas 78711-2058
Fax: (800) 359-0650

The only employers eligible for insurance through the Start Program are those whose applications for insurance do not meet the underwriting standards for the *Texas Mutual*[®] voluntary market programs. It is in the applicant's best interest to exhaust all efforts to obtain insurance in the voluntary market before applying to the Start Program since coverage through the Start Program may result in higher premiums.

A policy issued in the Start Program has limited employer's liability coverage. The maximum limits of liability for that coverage are:

Bodily Injury by Accident:	\$500,000	Each accident
Bodily Injury by Disease:	\$500,000	Each employee
Bodily Injury by Disease:	\$500,000	Policy limit

To be considered for the Start Program, the application must be complete. A complete application must contain the following items. Please check each item to verify its inclusion or write "none" if the item is not in existence.

- _____ ACORD[®] 130 and Start supplemental applications, signed by both the applicant and the agent.
- _____ Hard copy loss runs for most recent 4-year period valued within 120 days of the submission date.
- _____ Copies as filed of Federal Forms 941, 941E, 942, 943 or Texas Workforce Commission quarterly reports for the four most recent quarters. Texas Workforce Commission reports are required if the employer operates in multiple states.
- _____ The current experience modifier worksheet (if applicable) AND, if available, the two previous experience modifier worksheets. If the applicant is not experience rated, provide total premium and payroll for each of the last four years.
- _____ A copy of applicant's written safety program or the table of contents.
- _____ A cover letter describing any loss over \$15,000.

Premium payment

The premium is due in the form of a check, or other guaranteed funds, as approved by Texas Mutual Insurance Company (TXM). If any portion of the premium is financed, a copy of the finance agreement must be furnished with the required down payment. A minimum deposit of 15% will be required. Deposit premium may not be transferred from one policy to another.

NOTE: Interim reporting is only available for accounts with fluctuating payrolls. Specific deposit requirements and reporting frequency will be indicated on the quote.

Supplemental information (use additional pages if necessary)

1. Does the applicant, its owners, or its controlling management own, manage, or control any other business? Yes____ No____
 - a. If yes, please explain. _____

 - b. List all businesses that the applicant, its owners, or its controlling management have commonly owned, managed, or controlled now or in the past 4 years and the federal tax identification numbers for these businesses. Attach a complete ERM-14 for each business.

2. Does the applicant receive workers from or share workers with any business? Yes____ No____
 - a. If yes, please explain. _____

 - b. List all such businesses and their federal tax identification numbers. Attach a complete ERM-14 for each business.

3. Does the applicant share office space or any other business services with another business? Yes____ No____
 - a. If yes, please explain. _____

 - b. List all such businesses and their federal tax identification numbers. Attach a complete ERM-14 for each business.

4. Does the applicant have a commercial general liability or automobile insurance policy which covers another business on the same policy? Yes____ No____
 - a. If yes, please explain. _____

 - b. List all such businesses and their federal tax identification numbers. Attach a complete ERM-14 for each business and a copy of the declaration page for each policy.

5. Has the applicant or any business listed in items 1-4 above ever had any additional premium due for workers' compensation insurance coverage? Yes____ No____
 - a. If yes, please explain and include the amount due, the carrier, and the date paid.

6. Has the applicant or any business listed in items 1-4 filed bankruptcy in the past seven (7) years? Yes____ No____
 - a. If yes, please attach a copy of the bankruptcy notice of filing and docket sheets.

7. Is the applicant a corporation? Yes____ No____
 - a. If yes, is the corporation in good standing with the Comptroller and the Secretary of State? Yes____ No____
If the corporation is not in good standing with either the Comptroller or the Secretary of State, please explain.

8. Is the applicant a Professional Employer Organization? Yes____ No____
 - a. If yes, please attach a copy of their Professional Employer License, and completed *Professional Employer Organization Questionnaire* found on our website at www.texasmutual.com.

- b. If yes, does the Professional Employer Organization have any Service Agreements that require a client to obtain the workers compensation coverage for the covered employees? Yes____ No____
 - i. If yes, please complete a *Professional Employer Organization Client-Maintained Coverage Form* found on our website at www.texasmutual.com for each client that is carrying their own WC coverage.
 - ii. If yes, are any of these Clients non-subscribers to Workers' Compensation? Yes____ No____
9. Is the applicant using leased or temporary employees to perform part of its operations? Yes____ No____
- a. If yes, please explain and provide a copy of the contract.

 - b. If yes, are any of the leased or temporary employees former employees of the applicant or former employees of any business listed in items 1-4? Yes____ No____
10. Is the applicant in the business of providing temporary employees to other businesses? Yes____ No____
11. Does the applicant subcontract the majority of its work to one entity? Yes____ No____
- a. If yes, please explain. _____

 - b. List all such businesses and their federal tax identification numbers.

Applicant's agreement

In submitting this application, the applicant expressly agrees to the following:

- 1. To pay as due all premiums owed to Texas Mutual Insurance Company (TXM). The applicant understands and agrees that the total estimated annual premium is subject to change because of rates, modifications, surcharges, and other charges approved by the Texas Department of Insurance.
- 2. This policy does not provide workers' compensation insurance coverage in any state other than Texas.
- 3. The policyholder is required to participate in the TXM medical network.
- 4. To provide, if TXM requires it, a personal guaranty of any additional premiums due on the insurance issued based on this application.
- 5. To permit TXM to conduct any manner of credit check it deems advisable in connection with this application.
- 6. That in the event of default on payment of any premiums due under any policy issued as a result of this application, all premiums due and unpaid shall, at the option of TXM, become payable at the *Texas Mutua*[®] office in Austin, Texas.
- 7. To pay prejudgment and post-judgment interest as provided by law and to pay attorney's fees incurred by TXM in connection with any efforts undertaken by TXM to collect premiums due under any policy issued as a result of this application.
- 8. To pay proper premiums based on the correct classification codes for its business and employees and recognize that the classification codes on any application documents are estimates only.
- 9. To pay premium at the proper rates on all labor involved in subcontracted work performed for the applicant in every instance unless a valid certificate of insurance is furnished during the policy term or unless the subcontractor qualifies as an independent contractor under the Workers' Compensation Act. Proper documentation of such coverage will be furnished to TXM within 10 days after the applicant contracts with the subcontractor.
- 10. To maintain by employee and class of work accurate records of total remuneration earned by each employee in order that accurate audits of payroll records may be made by TXM and to make all records available for audit upon request by TXM.
- 11. That TXM is authorized to have access to all the Texas Workforce Commission's employment information and records pertaining to the applicant and any businesses commonly owned or commonly controlled by the applicant, its owners, or controlling management, that may be under the control of the Texas Workforce Commission. The applicant hereby waives in favor of TXM any confidentiality of such information and records.

12. That, in any suit arising from premium or audit disputes, all events giving rise to such claim occurred in Travis County, Texas, and no substantial part of the events of such claim occurred in any other county; that maintenance of such an action in Travis County, Texas, does not work an injustice to the applicant, is in the interest of the parties, and transfer of the action would work an injustice to the parties; that the applicant will perform all its obligations hereunder and under any policy of insurance resulting from this application in Travis County, Texas; that Travis County, Texas, will be the legal venue for any suits arising from premium or audit disputes; and that the applicant will file any such suits in Travis County, Texas.

13. That the agent acts solely as the agent of the applicant and is not an agent of the TXM.

14. That no insurance coverage will be considered bound by TXM until the applicant has received a policy duly executed by TXM and such insurance shall become effective only from the date and time specified by the policy.

15. To comply with all TXM rules or the Texas Department of Insurance, Division of Workers' Compensation rules relating to the welfare, health, and safety of employees.

16. Within 30 days of the issuance of a policy, to implement a written accident prevention program that the applicant communicates to every employee, safety rules for the more hazardous operations with documentation of the communication of the rules, safety training/meetings on a regular, frequent schedule with documentation of subjects covered and employee attendance, internal inspection procedures with appropriate documentation, and selection/placement procedures that demonstrate ordinary care.

The applicant hereby represents and verifies that all statements and representations contained herein and in any supplemental documents are true and correct. Any material misrepresentation, omission, or failure to perform the agreements set forth above are grounds for rejection of the application or cancellation of any coverage which is issued in reliance on the application, and for other legal actions. If any one or more of the provisions of this contract shall be held to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions of the contract shall not in any way be affected or impaired.

Name of applicant (Please print)

Name of agent

Date

Applicant's signature

Agent's signature*

Texas Mutual® producer code

Title (owner, partner, officer)

Agent's federal tax I.D. No.

Agent's license number

Telephone number

Agent's telephone number

Agent's fax number

*The agent acknowledges that any return premium under the policy will be refunded directly to the policyholder or the premium finance company.

ACORD® application forms must be attached to this document

Questions?

If you have any questions, please call:

- Main number: 1-800-859-5995
- Claim reporting and information: (800) TX-CLAIM (892-5246)

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