



## Staffing Services Overview

Artex Cedar Hill entertains temporary services accounts in our workers compensation program on a referral basis with Zurich's Middle Market home office underwriting team. Characteristics of typical staffing firms in our program include:

- Between \$100,000-\$750,000 in annual premium
- More than 3 years in business
- Solid, transparent financial statements
- Good risk management profile
- Placements are longer term in nature, on a more highly compensated basis in specialized whiter to grayer collar industries.
- Most often have less than 10 class codes
- We don't participate in blue collar, manufacturing, warehousing, home health, construction or transportation related temps

We require a complete submission to perform our consensus underwriting with our associates at Zurich. Please keep in mind that only complete submissions will be considered. Underwriting criteria follows:

1. Signed, completed Acord applications for Staffing Company.
2. Signed, completed NCCI ERM-14 (Confidential disclosure of ownership – include any and all related entities)
3. Completed Artex Cedar Hill Underwriting Assessment forms (see separate attachment).
4. Organizational chart and resumes of key management.
5. Description of marketing plan, strategic affiliations, related affinity groups.
6. Estimated annual payroll by class code and state.
7. Please provide thorough list of current active client-companies of Staffing Company and nature of operations in which workers are placed. Include the following:
  - A. Client name and D/B/A for each client company, if any
  - B. Staffing Company client # for each client operation at the client-company level.
  - C. Detailed description of each client-company's operations.
8. Specifically identify if proposed insured does or does not have:
  - International exposures
  - Aviation exposures
  - Defense base exposures
  - USL&H exposures
  - Nuclear exposures
  - FELA or any other railroad exposures



9. Currently valued, insurance carrier or Third Party Administrator ("TPA") generated summary loss runs for Staffing Company in the aggregate, as well as for acquired entity by Staffing Company, if any, for each of the past 5 years. For loss stratification and frequency analysis, ideally loss runs are broken down to the client-company level and claimant level.
10. Detailed explanation of all losses above \$25,000 for each of the past 5 years.
11. Audit payroll summary for each of the past 5 years for Staffing Company, as well as for acquired entity by Staffing Company, if any.
12. Please provide year-to-date and previous 2 years audited financial statements with auditor's notes. Artex Cedar Hill understands not all companies have audited statements, and many have an accounting firm review and compile their year-end statements. Reviewed and compiled statements will suffice. To the extent neither of the foregoing is available, Artex Cedar Hill requests current year-to-date and preceding 2 year's end income statements, balance sheets, and if available, a statement of cash flows.

We sincerely look forward to the opportunity to work with you on your account. Please don't hesitate to contact me with any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Andrew Atsaves".

Andrew Atsaves  
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In the spirit of full disclosure, it is important for you to know that all of Artex Cedar Hill's PEO and/or Temp Services workers compensation accounts are written on a net of commissions basis (commissions are not paid to insurance agents or risk management consultants). The services of an outside professional insurance agent are often of value to the PEO and/or Temp Services firm, and we welcome their use of such insurance professionals, but it is critical you understand we do not pay commissions and should coverage be placed through the Artex Cedar Hill program, any remuneration to a third party representative of the PEO and/or Temp Services firm shall remain the PEO and/or Temp Services firm's obligation. All coverages are subject to conditions, coverage limits, limits of liability, limitations and exclusions as contained in the policy. See the actual policy for an exact description of the coverage provided. Coverages underwritten by member companies of Zurich in North America, including Zurich American Insurance Company. Coverages are subject to terms, conditions and exclusions stated in the policies. Certain coverages not available in all states. Coverages may be subject to certain limitations or modifications in some states.