

Professional Employers Dividend

The Professional Employers Dividend is offered by AmTrust Financial and is specifically designed for businesses in the Tri-State Area (Pennsylvania, New Jersey and Delaware).

Dividend Program Features

- 10% Flat Dividend (regardless of losses), plus a sliding scale dividend percentage based on losses
- Earn up to 25% return premium
- One time calculation valued six (6) months after policy expiration
- Receive 100% of declared dividend ten (10) months after policy expiration; no recapture provision
- No Loss Development Factor (LDF) or Incurred But Not Reported (IBNR) Factor applied



10% flat dividend

(regardless of losses), plus a sliding scale dividend percentage based on losses

Dividend Payment Eligibility

- Audited Discounted Premium of \$500 or more.
- All policy premiums, including audit adjustments, must be paid in full. Policies in audit dispute must be resolved prior to any dividend distribution. Any policy placed in collections is not eligible for a dividend.
- Policies with three (3) or more non-payment cancellation notices issued in the policy term are not eligible for a dividend.
- The policy must remain in effect for the full policy period to be eligible for a dividend.
- Available to select professional classes.

The dividend calculation shall be made on eligible policies on the following basis: While the issuing insurance company's Board of Directors fully intends to declare dividends at the appropriate time, the potential dividend distribution is at the sole discretion of that Board. If that Board of Directors does not declare a dividend, no dividend distribution will be made to eligible policyholders. If that Board of Directors declares a dividend that is less than the amount needed to fund all of the potential maximum dividends for all eligible policies, your dividend will be reduced on a pro-rata basis. A payment will not be made on dividends that are calculated for \$25 or less.

Audited discounted premium means the premium determined at audit by the application of standard rates to the payroll exposure, plus any applicable premium charges, such as increased Employers Liability – Coverage B, approved Credit programs, Experience Modification and Premium Discount. Premium not in dividend calculation includes Expense Constant and Terrorism Risk Insurance Act (TRIA).

Incurred loss ratio means the total of all claim payments and open reserves for medical, indemnity and allocated loss adjustment expense (ALAE) applicable to the policy term divided by the audited discounted premium.

Incurring Loss Ratio	Maximum Dividend
0 - 5%	10 Flat plus 15%
6 - 10%	10 Flat plus 13%
11 - 20%	10 Flat plus 10%
21 - 25%	10 Flat plus 8%
26 - 30%	10 Flat plus 5%
31% and over	10 flat

Dividends cannot be guaranteed under law and are at the discretion of the issuing insurance company's Board of Directors. The above exhibit illustrates the potential maximum dividend payable under this program. **This dividend only applies to premium and losses developed in their respective State. Minimum audited discounted premium of \$500; No dividend payment will be made on a policy with less than \$500 minimum audited discounted premium.**



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