

Workers Compensation and Employers Liability Insurance Policy

WC 00 03 20 B

PROFESSIONAL EMPLOYER ORGANIZATION (PEO) EXTENSION ENDORSEMENT

This endorsement applies only with respect to bodily injury to your leased workers in the state named in Item 2 of the Schedule when provided by a PEO named in Item 1 of the Schedule. This endorsement does not apply with respect to bodily injury to workers provided to you on a temporary basis.

Certain words and phrases in this endorsement are defined as follows:

Professional Employer Organization (PEO) is an entity or group of entities who are or were formally related by common management or ownership that provides workers to its client(s) through a PEO arrangement for a fee, pursuant to an agreement, written or otherwise. Without limitation, a PEO may also be referred to as a labor contractor, employee leasing company, lessor, or other similarly administered arrangement.

Client is an entity that obtains all or part of its workforce for a fee, pursuant to an agreement, written or otherwise, from another entity through a professional employer organization (PEO) arrangement or that employs the services of an entity through a PEO arrangement. Without limitation, a client may also be referred to as a lessee.

Temporary worker is a worker who is furnished to an entity for a finite period of time, including but not limited to one or more of the following work situations:

- Replace an absent worker who will return, such as during an authorized leave of absence, vacation, jury duty or illness
- Fill a short-term or temporary professional skill shortage
- Staff a seasonal workload
- Staff a special assignment or project where the worker will be terminated or assigned to another temporary project upon completion
- Satisfy the requirements of the employer's overall employment program, such as probationary period before new workers are granted permanent employee status.

Part One (Workers Compensation Insurance) and Part Two (Employers Liability Insurance) of your policy will apply as though the PEO is an insured. If an entry is shown in Item 3 of the Schedule, the insurance afforded by this endorsement applies only to work you perform under the contract or at the project named in the Schedule.

Under Part One we will reimburse the PEO named in the Schedule for the benefits required by the workers compensation law if we are not permitted to pay the benefits directly to the persons entitled to them.

The insurance afforded by this endorsement is not intended to satisfy the PEO's duty to secure its obligations under the workers compensation law. We will not file evidence of this insurance on behalf of the labor contractor PEO with any governmental or regulatory agency.

We will not ask any other insurer of the PEO to share with us a loss covered by this endorsement.

Premium will be charged for your leased workers while provided by the PEO. You must obtain from PEO and furnish to us a complete payroll record of your leased workers provided by the PEO to satisfy your obligations under Part Five (Premium), C.2. You are jointly liable with the PEO for the contributions, premiums, forfeits, or interest attributable to the wages of the workers leased to you by the PEO.

The policy may be cancelled according to its terms or for violation of rules applicable to PEO arrangements, provided that the PEO has been provided a reasonable opportunity to cure the violation. If the policy is cancelled, we will send notice of such cancellation to the PEO and provide you with a notice regarding the status of your coverage.

Part Four (Your Duties If Injury Occurs) applies to you and the PEO. The PEO will recognize our right to defend under Parts One and Two and our right to inspect under Part Six (Conditions).

1. PEO
2. State Where Work Performed
3. Contract or Project

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement
Insured

Effective Policy No.

Endorsement No.
Premium:

Insurance Company

Countersigned by _____