

# SCHOOLS EXCESS LIABILITY FUND

## EXCESS WORKERS' COMPENSATION

### MEMORANDUM OF COVERAGE FOR SPECIFIED PUBLIC EDUCATIONAL AGENCIES

Throughout this Memorandum, words and phrases that appear in boldface type have special meanings. They are defined in SECTION II: DEFINITIONS, with the exception of **loss**, which is defined in each of the two basic coverage grants, for the purposes of the respective coverage grants.

In consideration of the payment of the contribution, the Schools Excess Liability Fund Excess Workers' Compensation Program, hereafter referred to as the **Authority**, agrees with the **Covered Party** as follows:

#### SECTION I: COVERAGES

Subject to the **Covered Party's** retained limit, and subject to, and conditioned upon the **Covered Party's** full performance of all conditions set forth below in SECTION V: CONDITIONS of this Memorandum, the **Authority** agrees to provide the following coverage:

#### WORKERS' COMPENSATION COVERAGE

- A. To indemnify the **Covered Party** for **loss** as a **qualified self-insurer** under the **Workers' Compensation Law** in excess of the **Covered Party's** retention stated in the Declarations but not for more than the limit of indemnity stated in the Declarations.
- B. **Loss**, for purposes of Workers' Compensation Coverage under this Memorandum, means amounts actually paid by the **Covered Party** as a **qualified self-insurer** under the **Workers' Compensation Law** for bodily injury by accident or bodily injury by disease including resulting death, provided:
  - 1. the bodily injury accident occurs during the period this **Memorandum of Coverage** is in force; or
  - 2. the bodily injury by disease is caused or aggravated by the conditions of employment by the **Covered Party**. The employee's last day of last exposure to those conditions of that employment causing or aggravating such bodily injury by disease must occur during the period this **Memorandum of Coverage** is in force;

3. if the claim involves multiple injuries arising out of more than one bodily injury accident, or involves multiple retentions for any other reason, the **Covered Party** accurately and appropriately allocates all payments between such multiple claims; and
  4. the **Covered Party** timely and fully pursues all available remedies for contribution from, or apportionment with, other employers (both prior and subsequent), and any other available sources (such as, in the case of worker's compensation **losses**, the Subsequent Injury Fund), for payment by such other employers or sources, of part or all of the **loss**.
- C. **Loss** includes **claims expenses** as defined in SECTION II: DEFINITIONS, Definition F.
- D. The **Authority** will not indemnify the **Covered Party** for any payments made by the **Covered Party** if such payments are:
1. required because of serious and willful misconduct of the **Covered Party**;
  2. required because the **Covered Party** or an Executive official thereof knowingly employed an employee in violation of law;
  3. required because the **Covered Party** failed to comply with a health or safety law or regulation;
  4. required because, in violation of the **Workers' Compensation Law**, the **Covered Party** discharged, coerced, or otherwise discriminated against any employee;
  5. required because the **Covered Party** has, for any other reason, incurred a penalty, under the **Workers' Compensation Law**, with respect to the claim;
  6. paid, or due and owing, in a case in which the **Covered Party** did not properly reject the claim within ninety (90) days after the claim was filed, and because of the **Covered Party's** inaction, the claim became compensable due to the operation of Labor Code Section 5402 (or any similar law enacted after July 1, 2002);
  7. paid, or due and owing, in a case in which the **Covered Party** has not reported the claim to the **Authority** in full compliance with all of the conditions set forth below, in SECTION V: CONDITIONS of this **Memorandum of Coverage**; or
  8. required because the **Covered Party** violated or failed to comply with any **Workers' Compensation Law** or any provision thereof.

## EMPLOYER'S LIABILITY COVERAGE

- A. The **Authority** will indemnify the **Covered Party** as a **qualified self-insurer** of/for employer's liability for **loss** in excess of the **Covered Party's** retention stated in the Declarations but not for more than the limits of indemnity stated in the Declarations.
- B. Indemnity by the **Authority** will be made only if the original suit and any related legal action(s) for damages for bodily injury by accident or disease was (were) brought in the United States of America, its territories or possessions, or Canada.
- C. **Loss** (or **losses**), for purposes of Employer's Liability Coverage under this Memorandum, means amounts which the **Covered Party** has legally and actually paid in cash as damages, because of bodily injury by accident, or bodily injury by disease, suffered by an employee of the Covered Party but not covered by the Workers' Compensation Law. Bodily injury includes resulting death. **Loss** also includes **Claims Expenses** as defined in SECTION II: DEFINITIONS, Definition F.
- D. This coverage applies to **losses** paid by the **Covered Party** as a **qualified self-insurer** of/for employer's liability for bodily injury which arises out of and in the course of the injured employee's employment by the **Covered Party**, provided:
1. the bodily injury by accident occurs during the period this coverage is in force; or
  2. the bodily injury by disease is caused or aggravated by the conditions of employment by the **Covered Party**. The employee's last day of last exposure to those conditions of that employment causing or aggravating such bodily injury by disease must occur during the period this **Memorandum of Coverage** is in force;
  3. the employment is necessary or incidental to work conducted by the **Covered Party**; and
  4. the **Covered Party** timely and fully pursues all available remedies for contribution from, or apportionment with, other employers (both prior and subsequent), and any other available sources (such as, in the case of workers' compensation **losses**, the Subsequent Injury Fund), for payment by such other employers or sources, of part or all of the **loss**.
- E. **DAMAGES INCLUDE:**
1. Damages for which the **Covered Party** is liable to, and which the covered party actually pays in cash to, a third party by reason of a claim, suit or proceeding against the **Covered Party** to recover damages suffered by the third party;
  2. Damages for care and loss of services of an injured employee of the **Covered Party**;

3. Damages for consequential bodily injury to a spouse, child, parent, brother, or sister of the injured employee of the **Covered Party**; provided such damages in paragraphs 1 and 2, immediately above, and in this paragraph 3, are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by the **Covered Party**; and
4. Damages because of bodily injury to an employee of the **Covered Party** arising out of and in the course of employment, claimed against the **Covered Party** in a capacity other than as employer.

F. EMPLOYER'S LIABILITY COVERAGE EXCLUDES:

1. Liability assumed under a contract;
2. Punitive or exemplary damages;
3. Bodily injury to an employee while knowingly employed in violation of law;
4. Bodily injury intentionally caused or aggravated by or at the direction of the **Covered Party**;
5. Bodily injury occurring outside the United States of America, its territories or possessions, or Canada. This exclusion does not apply to bodily injury to a citizen or resident of the United States of America or Canada who is temporarily working outside these countries for the **Covered Party**;
6. Damages arising out of the **Covered Party's** violation of law in the discharge of, coercion of, or discrimination against any employee;
7. Any obligation of any type that is imposed by a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law; and
8. Damages arising out of, or in any way related to, operations with respect to which the **Covered Party**:
  - (a) has violated or failed to comply with any **Workers' Compensation Law**, or any provision thereof, or
  - (b) has rejected any **Workers' Compensation Law**.

## OTHER STATES' COVERAGES

- A. This **Memorandum of Coverage** applies to states other than California if an employee of the **Covered Party** is injured in such a state and if the work of such injured employee of the **Covered Party** was within the scope of such employee's employment, at the direction of the **Covered Party**, and was temporary and transitory in such other state provided the **Covered Party** is not insured or self-insured in such other state, and
1. such injured employee was regularly employed in California;
  2. the work in the other state was incidental to work in California; and
  3. the work of such injured employee was not at a permanent or fixed location of the **Covered Party** subject to the **Workers' Compensation Law** in such other state.
- B. For any workers' compensation benefits awarded under the law of any other state, the **Authority** will indemnify the **Covered Party** only to the extent that the other state benefits do not exceed benefits which would have been paid to such injured employee under the **Workers' Compensation Law** of the State of California.
- C. For any workers' compensation benefits awarded under the U.S. Longshoremen's and Harbor Workers' Compensation Act, the **Authority** will indemnify the **Covered Party** only to the extent that those benefits do not exceed benefits which would have been paid to such injured employee under the **Workers' Compensation Law** of the State of California.

## SECTION II: DEFINITIONS

### A. **MEMORANDUM OF COVERAGE**

This **Memorandum of Coverage** includes the Declarations Page. It is a contract of coverages between the **Authority** and the **Covered Party**. The only agreements relating to this coverage are stated in this **Memorandum of Coverage**. The terms of this **Memorandum of Coverage** may not be changed or waived except by written endorsement made as part of this **Memorandum of Coverage**.

### B. **CONTINUOUS COVERAGE**

This **Memorandum of Coverage** is effective at 12:01 a.m. on the effective date stated in the Declarations and will remain in full force for the term specified on the Declarations Page of this **Memorandum of Coverage**. All of the provisions of this **Memorandum of Coverage** apply separately to each consecutive coverage period beginning with the date shown in the Declarations in the same manner as if a separate **Memorandum of Coverage** had been written for each such consecutive period.

C. **COVERED PARTY**

The **Covered Party** is named in the Declarations and must meet the eligibility requirements as described in the Schools Excess Liability Fund Joint Powers Agreement.

D. **QUALIFIED SELF-INSURER**

The **Covered Party** represents that it is a duly **qualified self-insurer** under the **Workers' Compensation Law** of California and will continue to maintain such qualifications during the term this **Memorandum of Coverage** is in effect. If the **Covered Party** should terminate such qualifications or if qualification of the **Covered Party** as a self-insurer is cancelled or revoked while this **Memorandum of Coverage** is in force, the amounts payable under this **Memorandum of Coverage** will not exceed the amounts which would have been payable if such qualifications had been maintained in full force and effect.

E. **WORKERS' COMPENSATION LAW**

**Workers' Compensation Law** means the workers' compensation law and occupational disease law of the State of California. It includes any amendments to that law which are in effect during the term of this **Memorandum of Coverage**. It does not include provisions of any law that provides nonoccupational disability benefits.

F. **CLAIMS EXPENSES**

**Claims expenses** of the **Covered Party** means its litigation costs, interest as required by law on awards or judgments, and its claim investigation or legal expenses which can be directly allocated to a specific claim that is covered by this **Memorandum of Coverage**. If the claim involves multiple injuries arising out of more than one bodily injury accident, or involves multiple retentions for any other reason, costs must be allocated appropriately, as the **Covered Party** and the **Authority** shall agree, between such multiple claims. **Claims expenses** exclude: salaries and travel expenses of employees of the **Covered Party**, annual retainers, overhead, any fees the **Covered Party** pays for claim administration, and any expenses incurred in the defense of any claim that is not covered by this Memorandum of Coverage.

G. **PROMPT WRITTEN NOTICE**

**Prompt written notice** of a claim or an injury means written notice (separate and apart from loss data provided to SELF for underwriting purposes) received by SELF no later than thirty (30) days after (1) a claim's incurred value (including reserves for all medical payments, indemnity payments, and **claims expenses**) reaches or, if properly reserved in accordance with generally-accepted industry standards in the professional workers' compensation claims administration industry would reach, fifty percent (50%) of the self-insured retention level applicable to the claim; or (2) the **Covered Party** or its claims administrator first receives notice of an injury to spinal cord (including surgery to the

spinal cord or spinal column for any reason), paraplegia, or quadriplegia; a fatality; amputation of a major extremity; second- or third-degree burns of 25% or more of the body; serious head or brain injuries (including skull fracture or loss of any sensory ability); any occurrence which causes serious injury or death to two or more employees; any occurrence which results in a claim for loss time disability exceeding one (1) year; any injury which requires multiple surgeries to major body parts (limbs, spine, head, major organs, cardiovascular system); or any case with potential life-pension exposure.

H. **AUTHORITY**

**Authority** means the Schools Excess Liability Fund Excess Workers' Compensation Program.

**SECTION III: COVERED PARTY'S  
RETENTION AND AUTHORITY'S LIMIT OF INDEMNITY**

A. **Retention by Covered Party:**

The **Covered Party** shall pay from its own account without other insurance, all loss up to the amount stated in the "retained limit" section of the Declarations.

B. **Limit of Indemnity by Authority:**

Subject to the conditions set forth below in SECTION V: CONDITIONS, the **Authority** will indemnify the **Covered Party** for covered loss over the amount stated as **Covered Party's** retained limit in the Declarations. The limit of indemnity for Employer's Liability coverage will not exceed the limit stated in the Declarations. The total indemnity for Workers' Compensation and Employer's Liability Coverage combined will not exceed in any event the maximum limit stated in the Declarations for California Workers' Compensation.

C. **How Retention and Limit of Indemnity Apply:**

The **Covered Party's** retention and **Authority's** Limit of Indemnity stated in the Declarations apply to losses paid by the **Covered Party** as a **qualified self-insurer** of/for Workers' Compensation and Employers Liability as follows:

1. To one or more employees because of bodily injury or death in any one accident.
2. To any one employee for bodily injury or death by disease.

The inclusion of more than one legal entity as **Covered Party** in the Declarations will not increase the **Covered Party's** retention nor the **Authority's** Limit of Indemnity.

D. Accident:

1. Accident means each accident or occurrence or series of accidents or occurrences arising out of any one event.
2. An accident is deemed to end 72 hours after the event commences. Each subsequent 72 hours is deemed to be a separate accident period.

E. Disease:

Disease is an accident only if it results directly from bodily injury by accident.

SECTION IV: CONTRIBUTIONS

Contributions will be determined by applying the rate determined by the **Authority's** Board of Directors to the **Covered Party's** gross payroll.

SECTION V: CONDITIONS

As a condition precedent to coverage for any claim under either the Workers' Compensation Coverage or the Employer's Liability Coverage of this **Memorandum of Coverage**, the **Covered Party** and the **Authority** agree that:

A. Notice of Accident:

1. The **Covered Party** shall give **prompt written notice** to the **Authority** if a claim for an injury or disease occurs, in which the incurred value (amounts paid plus outstanding reserves for all medical payments, indemnity payments, and **claims expenses**) of the claim, properly reserved in accordance with industry standards, totals 50% of the self-insured retention level. If there is more than one open indemnity claim pertaining to the same part of the claimant's body, the incurred values of all such open indemnity claims shall be aggregated in order to determine when this reporting level has been reached.
2. The **Covered Party** shall also give **prompt written notice** to the **Authority** if an injury of the following type occurs, regardless of the incurred value:
  - (a) Injuries to spinal cord (including surgery to the spinal cord or spinal column for any reason), paraplegia, or quadriplegia;
  - (b) A fatality;
  - (c) Amputation of a major extremity;

- (d) Second- or third-degree burns of 25% or more of the body;
  - (e) Serious head or brain injuries (including skull fracture or loss of any sensory ability);
  - (f) Any occurrence which causes serious injury or death to two or more employees;
  - (g) Any occurrence which results in a claim for loss time disability exceeding one (1) year;
  - (h) Any injury which requires multiple surgeries to major body parts (limbs, spine, head, major organs, cardiovascular system);
  - (i) Any case with potential life-pension exposure.
3. Notice of accident given to the **Authority** shall contain complete details on the injury, disease or death. If a suit, claim or other proceeding is commenced because of an injury listed above in Paragraph 1. or Paragraph 2., or on any injury which appears to involve indemnity by the **Covered Party**, the **Covered Party** shall give to the **Authority** promptly (no later than 30 calendar days) following the **Covered Party's** receipt thereof:
- (a) all notices and legal papers related to the claim, proceeding or suit, or copies of these notices and legal papers; and
  - (b) copies of all medical reports, and all reports on investigations made by the **Covered Party** on such claims, proceedings, or suits.
4. If the **Covered Party** does not give notice to the **Authority** as required by any of Paragraphs 1., 2., or 3. immediately above, the **Covered Party** and the **Authority** hereby expressly agree that:
- (a) If notice is given to the **Authority** between twelve (12) and twenty-four (24) months after the date on which it should have been given, any indemnification that would have been owing to the **Covered Party** under this **Memorandum of Coverage** if notice had been timely given to the **Authority**, shall be reduced by twenty-five percent (25%); and
  - (b) If notice is given to the **Authority** more than twenty-four (24) months after the date on which it should have been given, any indemnification that would have been owing to the **Covered Party** under this **Memorandum of Coverage** if notice had been timely given to the **Authority**, shall be reduced by fifty percent (50%).

- (c) These reductions will be applied to any reimbursement regardless of whether or not SELF's interests were actually prejudiced as a result of the late reporting.

B. Duties of Covered Party and Authority:

1. The **Authority** has no duty to investigate, handle, settle or defend any claims, suits, or proceedings against the **Covered Party**.
2. The **Authority** has the discretionary right, and shall be given the opportunity by the **Covered Party**, to associate with the **Covered Party** in the defense, investigation, or settlement of any claim, suit or proceeding which appears to involve indemnity by the **Authority**. In such association, the **Covered Party** and **Authority** shall cooperate in all aspects of defense, investigation, or settlement. The **Covered Party** shall not settle any claim which involves indemnity by the **Authority**, without the **Authority's** prior written consent.
3. It is the duty of the **Covered Party** to notify the **Authority** of claims that may involve the **Authority's** level of coverage. As between the **Covered Party** and the **Authority**, this duty is non-delegable. Thus, any failure by the **Covered Party** or its claims administrator to properly adjust or timely report a claim shall not excuse the **Covered Party's** breach or nonperformance of any duty under this **Memorandum of Coverage**.
4. The **Covered Party** or your designated representative must be diligent and exercise prudence and good faith in the investigation, defense and settlement of all claims, suits or proceedings. The **Covered Party** may not unreasonably refuse to settle any claim which, in the **Authority's** judgment, should be settled. Failure to do so may result in a reduction of the amount of reimbursement that the **Authority** will pay to the **Covered Party**.
5. The **Covered Party** shall give the **Authority** copies of (1) the **Covered Party's** Public Self Insurer's Annual Report submitted to the State of California, Department of Industrial Relations, Self-Insured Plans, and all attachments thereto, including the list of open indemnity claims, and (2) any other report or communication sent to the State of California that contains workers' compensation claims information, within thirty (30) days after each said report or communication is transmitted to the State.

C. Appeals:

If the **Covered Party** does not appeal an award or judgment which exceeds the **Covered Party's** retention, the **Authority** has the right to take an appeal at its own cost and expense and shall be liable for costs, disbursements and interest related to the appeal. If the **Authority** elects to appeal, the liability of the **Authority** on such an award or

judgement shall not exceed the limit of indemnity in the Declarations plus the cost and expense of such appeal.

D. Payment of Loss to Covered Party:

The **Authority** will indemnify the **Covered Party** for any covered loss under the coverages provided herein as follows:

1. For SECTION I, WORKERS' COMPENSATION COVERAGE AND OTHER STATES' COVERAGE: the **Covered Party** will pay all benefits required of the **Covered Party** by the **Workers' Compensation Law**. The indemnity by the **Authority** will be made at quarterly intervals after the **Authority** has received proofs of payments by the **Covered Party**. Workers' Compensation awards in excess of the **Covered Party's** retention shall not be settled without the prior, written consent of the **Authority**.
2. For SECTION I, EMPLOYER'S LIABILITY COVERAGE: if damages are awarded which the **Covered Party** legally must pay and does pay, the **Authority** shall indemnify the **Covered Party** for such damages. The indemnity will be made within 30 days after the **Authority** has received proof of actual payment, in cash, by the **Covered Party**.

E. Subrogation - Recovery From Others:

1. The **Authority** has the right to recover all payments which the **Authority** has made to the **Covered Party** from anyone liable for such loss. If the **Authority** recovers from anyone liable for such loss, the **Authority** shall first be reimbursed from such recovery to the extent of its payments to the **Covered Party**.
2. If the **Covered Party** does not commence an action or proceeding to recover damages from anyone liable for a loss paid by the **Authority**, the **Authority** has the rights of the **Covered Party** to recover damages from anyone liable for such loss. After the injury, illness, or death giving rise to such loss occurs, the **Covered Party** will do everything necessary to protect those rights and help the **Authority** to enforce them. Any such recovery by the **Authority** will be allocated as follows:
  - (a) the **Authority** will be reimbursed for all its payments under this **Memorandum of Coverage**;
  - (b) any balance of the recovery which remains after the **Authority** has been reimbursed will be paid to the **Covered Party**.
3. Expenses of all proceedings to recover from anyone liable for injury covered by this **Memorandum of Coverage** will be allocated between the **Covered Party**

and **Authority** in the ratio represented by the allocation of any damages which have been recovered.

4. If such an action or proceeding undertaken solely by the **Authority** results in no recovery, all related expenses will be paid by the **Authority**.
5. If there is insurance coverage in excess of the **Authority's** limit of indemnity under this policy and if subrogation recovery is obtained from anyone liable for loss, any such excess carrier will be reimbursed for any loss paid in excess of the **Authority's** limit of indemnity before any reimbursement of the **Authority** or the **Covered Party** under the provisions of this Condition E.
6. If there is no insurance coverage in excess of the **Authority's** limit of indemnity and if there is a subrogation recovery in excess of the **Authority's** limit of indemnity, the **Covered Party** will be reimbursed to the extent of any loss paid by the **Covered Party** in excess of the **Authority's** limit of indemnity, before the **Authority** is reimbursed under the provisions of this Condition E.

F. Dispute Resolution:

When a dispute arises between the **Authority** and a **Covered Party**, the following procedures shall be followed:

1. Request for Reconsideration. The **Covered Party** shall make a written request to the **Authority** or the appropriate committee to reconsider its position, citing the arguments in favor of the **Covered Party** and any applicable case law that applies. The **Covered Party** may also request the opportunity to make a personal presentation to that committee.
2. Committee Appeal. The committee responsible for the program or having jurisdiction over the decision in question will review the matter and reconsider the **Authority's** position. If the **Covered Party** requesting reconsideration is represented on the committee having jurisdiction, that committee member shall be deemed to have a conflict of interest and shall be excluded from any vote.
3. Board of Directors Appeal. If the **Covered Party** is not satisfied with the outcome of the committee appeal, the matter will be brought to the Board of Directors for reconsideration, upon request of the **Covered Party**. If the **Covered Party** requesting reconsideration is represented on the Board, that Board member shall be deemed to have a conflict and shall be excluded from any vote.
4. Arbitration. If the **Covered Party** is not satisfied with the outcome of the Board of Directors appeal, the next step in the appeal process shall be arbitration. The arbitration may be binding or non-binding, as mutually agreed upon by the parties. The matter will be submitted to a mutually-agreed-upon arbitrator, or to a panel of arbitrators, as the parties may agree, for a determination. If binding

arbitration is selected, the decision of the arbitrator or panel of arbitrators will be final and conclusive and the **Covered Party** and the **Authority** will abide by the decision of the arbitrator. The cost of arbitration will be shared equally by the involved **Covered Party** and the **Authority**.

5. Litigation. If, after following the dispute resolution procedure set forth in paragraphs 1. through 4., above, either party is not satisfied with the outcome of the non-binding arbitration process, either party may consider litigation as a possible remedy to the dispute.

G. No-Action Clause:

There will be no right of action against the **Authority** unless the **Covered Party** has complied with all the terms and conditions of this **Memorandum of Coverage**.

H. Other Coverages:

If the **Covered Party** has any other insurance, reinsurance, indemnity, risk-pooling or reimbursement agreement applicable to a loss for which the **Covered Party** would be indemnified under this **Memorandum of Coverage**, the indemnity under this **Memorandum of Coverage** will apply in excess of such other insurance, reinsurance, indemnity, risk- pool coverage, or reimbursement agreement.

I. Inspection:

The **Authority** has the right at any time, but is not obliged, to inspect the **Covered Party's** operation and workplaces. Such inspections are not safety inspections. They relate only to the compliance of the workplaces with rules of the **Authority**. The **Authority** may give reports to the **Covered Party** on the conditions found upon inspection. The **Authority** does not undertake to perform the duty of any person to provide for the health or safety of the **Covered Party's** employees or the public. The **Authority** does not warrant that the **Covered Party's** workplaces are safe or healthful, nor that they comply with laws, regulations, codes, or standards.

J. Audit:

The **Covered Party** will keep records needed to compute the contribution in accordance with SECTION IV: CONTRIBUTIONS, and will send copies of those records when the **Authority** asks for such records. The **Authority** has the right to examine and audit all records of the **Covered Party** which relate to this program, including claim files, ledgers, journals, registers, vouchers, contracts, disbursement records, and programs for storing and retrieving data. Information developed by the audit will be used to determine contributions. The **Authority** has the right to conduct audits during regular business hours while this **Memorandum of Coverage** is in force and within three years after the final settlement of all claims or payments made on account of bodily injury to employees throughout the term of this **Memorandum of Coverage**. The **Covered Party** will

reimburse the **Authority** for all expenses that the **Authority** reasonably and necessarily incurs in performing a field audit of any workers' compensation or employer's liability claim against the **Covered Party**.

K. Claims Information:

As a condition precedent to coverage hereunder, the **Covered Party** will submit accurate loss data regarding all workers' compensation claims and employer's liability claims made against the **Covered Party** within the preceding seven (7) years, or within such longer time period as sound underwriting principles dictate and the **Authority's** underwriters require, to the **Authority** at the **Authority's** request. Such data will be furnished promptly, and in no event later than 30 (thirty) days after the **Authority** requests it, unless otherwise agreed by the **Authority** and the **Covered Party**.

L. Assignment:

An assignment of interest under this **Memorandum of Coverage** will not bind the **Authority** unless an endorsement assigning interest is issued by the **Authority** to be part of this **Memorandum of Coverage**.

M. Sole Representative:

If more than one **Covered Party** is named in the Declarations, the **Covered Party** first named will act on behalf of all **Covered Parties** to give or receive notice of cancellation, receive return contributions, or request changes in this coverage program.

N. Memorandum of Coverage Conforms to Law:

If terms of this **Memorandum of Coverage** are in conflict with any law applicable to this program, this statement amends this Memorandum to conform to such law.

O. Captions:

The headings or captions used in this **Memorandum of Coverage** are included herein for the purpose of reference, and shall not alter the meaning of the substantive provisions of this **Memorandum of Coverage**.