

Application For StateCover Workers Compensation Policy

HOW TO APPLY FOR A POLICY

Please complete the form in BLOCK LETTERS, tick (✓) the appropriate boxes and forward your completed form to the StateCover Mutual office. StateCover will issue you with a policy and a premium notice. Section 192 of the Workers Compensation Act 1987 requires an employer to pay any premium DIRECT TO THE INSURER and not to an insurance broker, agent or intermediary.

PERIOD OF INSURANCE

From 4.00pm

To 4.00pm

EMPLOYER DETAILS

Please state IN FULL the name of the employer. This may be a company, a person, partnership or a trustee of a trust. If the employer is a trustee please state the name of the trustee and the name of the trust.

Legal Status of Employer

Please (✓) to indicate the legal status of the employer.

- A Council as defined under the Local Government Act 1993 (NSW)
- A County Council established under the Local Government Act 1993 (NSW)
- Subsidiary of a Council (please specify)

ACN or ARBN (if applicable)

Registered business name or trading name (if applicable)

Please indicate Council's LGMA / IMM Region

Name:
Region No:

Please indicate if Council is a member of:

- Local Government Association Shires Association

Are you registered for GST?

- No Yes

ABN

To what extent are you entitled to claim an Input Tax Credit on your Insurance premiums?

%

DO YOU NEED HELP?

If you need help to complete this form, please contact your insurance advisor or ring StateCover Mutual Limited.

OFFICE USE ONLY

Policy No
Effective date
Expiry date 4.00pm

POSTAL ADDRESS

Town / Suburb
State
Postcode

Please state the name of the person who will deal with Workers compensation related queries for you.

Name
Position
Telephone
Mobile
Fax
Email

Location of worksites

Please state the street address and suburb of your main worksite in NSW

Street Address
Suburb / Town
State
Postcode

Does this corporation have related corporations?

For example:

- Holding company;
- Subsidiary;
- Any other corporation which is directly or indirectly controlled by or controls this corporation;
- Any other corporation which is a subsidiary of the holding company of this corporation or controlled by the owners of this corporation.

- No Yes

If yes, please complete the following:

Name of related Corporation
ACN or ARBN
Insurer
Policy number

Application for StateCover Workers Compensation Policy

INSURANCE DETAILS

Main business or industrial activity

Please give a detailed description of the business. This information is used to classify your business to determine the premium. If you do not provide sufficient detail then you may be charged an incorrect premium.

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Last year

Name of Insurer
Policy Number
Period of Insurance
Total wages paid \$

Year before last

Name of Insurer
Policy Number
Period of Insurance
Total wages paid \$

SCHEDULE OF WAGES

You must include an estimate of wages for all direct and deemed workers in NSW

WAGES

Gross wages includes total gross earnings (before tax deductions) and some payments that are not generally thought of as wages.

It includes:

- Salary / wages
- Overtime, shift and other allowances
- Over-award payments
- Bonuses, commissions
- Payments to working directors (including directors' fees)
- Payments to pieceworkers
- Payments for sick leave, public holidays and the associated leave loadings
- Value of any substitutes for cash
- Grossed-up value of fringe benefits (allowances subject to fringe benefits tax are counted at the grossed-up value, that is the value of the benefit multiplied by the relevant Australian Tax Office benefit formula)*
- Trust distributions to workers where the distribution is in lieu of wages for work done for the trust.

Employer contributions to superannuation

- Employer superannuation contributions (include the superannuation guarantee levy).

Termination payments and long service leave

- Long service leave payments (including lump sum payments instead of long service leave)
- Termination payments (lump sum payments in respect of annual leave, long service leave, sick leave and related leave loadings).

It does not include

- Directors' fees paid to non-working directors
- Compensation under the Workers Compensation Act 1987
- Any GST component in a payment to a worker

*Non-profit organisations, public benevolent institutions (PBIs) and charities should continue to declare worker benefits that aren't subject to fringe benefits tax at the net value. Once the worker benefits exceed the Australian Tax Office fringe benefit threshold, the employer must declare the benefit at the grossed-up value.

For information about which workers are covered in NSW, including which employees are 'direct' workers or 'deemed to be' workers and which contractors are deemed to be workers, please turn to page 3 of this application form.

Direct workers

Please complete the estimate of wages for all direct workers.

Description of business	
No. of employees	Est. wages \$
Description of business	
No. of employees	Est. wages \$
Description of business	
No. of employees	Est. wages \$

Apprentice Wages

WorkCover NSW advised in July 2007 that the "Growing our Skills" Apprentice Incentive Scheme will provide premium relief for NSW Employers with apprentices.

To be eligible for the apprentice premium exemption an employer must:

- Have a valid workers compensation policy
- Have entered into a NSW Department of Education and Training (NSW DET) approved "Training Contract" with the apprentice in a designated trade vocation. The apprentice must be identified in the training contract.

Cont. Apprentice Wages

Please complete the estimate of wages for all apprentice workers
(Please attach sheet for any additional apprentices)

Description of business	
No. of employees	Est Wages \$
Description of Business	

DUST DISEASES LEVY

Do you employ workers who are engaged in the handling or processing of asbestos or the manufacture of asbestos products?

- No
- Yes

If yes, please estimate the wages applicable to those workers handling or working with asbestos

\$

Deemed workers / contractors

(Please attach sheet for any additional contractors)

Describe the type of work performed	
No. of contract workers	
Code*	
Est. of each contract \$	

*Please indicate the type of contract using the following codes:

- Labour Only: LO
 - Labour and Tools: LT
 - Labour and Plant: LP
 - Labour, Plant and Material: LPM
 - Outworkers: O
- (Please attach sheet for any additional deemed workers/contractors)

INFORMATION ON WHO IS COVERED IN NSW

Definition of a worker covered under the NSW Workers Compensation Act

A worker is any person who has entered into or works under a contract of service or apprenticeship with an employer, whether or not the contract is expressed or implied, oral or in writing.

There are two classifications of workers who must be covered:

- Direct worker; and
- Deemed workers / contractors.

You must cover SOME types of contractors under your Workers compensation policy. Contractors who are classed as direct workers or deemed workers must be covered. Other contractors will need to provide for their own Workers compensation cover. The contractor questionnaire on page 5 will help you determine if the contractor is a worker for the purpose of the Workers compensation.

Direct workers

Direct workers are all employees and includes working directors, apprentices and members of the employer's family or household or relatives working for the employer. An apprentice or worker who is temporarily lent or on hire to another person continues to be your worker and must be covered by your Workers compensation policy.

The wages of all direct employees should be included in the schedule of wages.

Deemed workers / contractors

People who work under a contract, including outworkers, may be deemed to be a worker under the Act. The wages

estimate for all deemed workers must be included in the Schedule of Wages.

Schedule 1 of the 1998 Act lists different types of workers who are deemed to be workers for the purposes of workers compensation in NSW. They include:

- Workers lent or on hire
- Outworkers
- Contractors under labour hire services arrangements
- Rural workers
- Timber getters
- Salespersons, canvassers, collectors and others
- Tributers
- Mine employees
- Mine rescue personnel
- Jockeys and harness racing drivers
- Drivers of hire-vehicles and hire-vessels (contract of bailment)
- Caddies and others employed through a club
- Shearers' cooks and others
- Fire fighters in fire districts
- Workers at place of pick-up
- Boxers, wrestlers, referees and entertainers
- Voluntary ambulance workers
- Ministers of religion
- Ministers of religion covered by policies
- Participants in training programs

DECLARATION & APPLICATION FOR MEMBERSHIP

I / We,

Request StateCover (ABN 36 090 394 755) to issue me / us with a Workers Compensation policy that covers all workers employed by me / us and who are engaged in the business to which this policy applies:

- Declare that all the information in this application and any documents that form part of this application, including the estimate of wages, are true and correct and that there are no omissions or misrepresentations;
- Undertake to keep a proper Wages Book in which the names and earnings of every worker, employee and / or contractor will be entered regularly;
- Undertake to supply StateCover with a correct account of all wages, salaries and other forms of remuneration paid or accrued during the period of indemnity within two months of the expiry period of indemnity. If the total amount paid differs from the amount on which the premium has been paid, the difference in premium shall be met by a further proportionate payment to StateCover or by a refund from StateCover, but always subject to the statutory minimum premium;
- Agree that this proposal shall be the basis of the contract and form part of the policy issued by StateCover
- Understand that cover is subject to the terms, conditions, exclusions and limitations of the policy;
- Authorise StateCover to obtain or supply details of claims and other relevant information.

The following Council wishes to be a member of StateCover Mutual Limited, as a holder of one 'Council Share' in StateCover Mutual Limited.

Name of Local Government Council

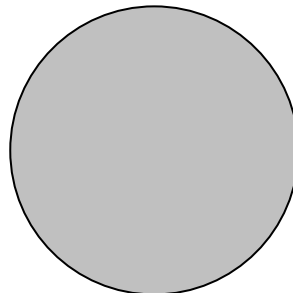
The Council acknowledges that it has either read the StateCover Mutual Limited Constitution or is aware of its terms and agrees to be bound by the Constitution as it exists from time to time. The Council further acknowledges that the capital levy relating to the issuing of the Council Share will be invoiced in accordance with the attached application.

The common seal of the above Council is affixed hereto pursuant to a resolution of the Council in the presence of the following persons:

Signature of Authorised Person

Office Held

Name of Authorised Person



Common Seal

Signature of Authorised Person

Office Held

Name of Authorised Person

Please enclose the following with your completed application:

- Such documents, including but not limited to Workers compensation claims history, as specified by the board of directors of StateCover Mutual Limited;
- Certificate by a qualified accountant certifying that the applicant is a sophisticated investor under Corporations Law. (Form attached)

Lodgement Instructions

If you wish to participate in StateCover Mutual Limited, please complete this application and forward to:

Linda Bostock, General Manager
StateCover Mutual Limited
PO BOX H25, AUSTRALIA SQUARE, SYDNEY NSW 1215.

Registered Office:

StateCover Mutual Limited, Level 11, 66 Clarence St, Sydney NSW 2001. Telephone: (02) 8270 6000 Facsimile: (02) 9262 6605

CONTRACTOR QUESTIONNAIRE

The following questionnaire will help you determine if you should include specific contractors in your wages declaration. The issue is very complex. If you are unsure please contact your broker or accountant, or StateCover.

Answer the questions in both columns. If you are uncertain, compare both columns, as the right hand column provides the alternative to the left hand column.

Q.1 NATURE OF THE CONTRACT

<p>Is the contract made between you and the contractor limited liability company, properly constituted partnership, trust or other legal entity?</p> <p>OR</p> <p>If the contract exceeds \$10, is the contractor a tradesperson conducting a business in a recognised trade, generally available to carry out work in that trade and the nature of the contracted work is in that trade?</p> <p>OR</p> <p>If the person is a sole trader, can you demonstrate that he/she is carrying out an independent business in his or her own name or under a business name. Evidence could include business cards, advertising, stationery, telephone directory listing, signs, invoices in a business name.</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p> <p>If no, complete remaining questions, if yes remaining questions need not be completed</p>	<p>Is the contract made between you and an individual?</p> <p>OR</p> <p>If the person is a tradesperson is he/she engaged to carry out work outside his/her normal trade, eg a plumber engaged to move furniture? (A person who does not have a recognised trade, eg a labourer is not considered a tradesperson.)</p> <p>OR</p> <p>Is the person a sole trader who does not operate a business and is working exclusively for a single employer and not seeking work from other employers?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p> <p>If no, complete remaining questions, if yes remaining questions need not be completed</p>
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Q.2 DEGREE OF CONTROL OVER WORK CARRIED OUT

<p>Is the contractor engaged to carry out a particular task, using his or her own skill and judgement?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>	<p>Does the person work generally under the direction of the employer who determines, the work to be performed and the time and manner in which it is performed?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>
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Q.3 EMPLOYMENT OF WORKERS

<p>Does the contractor employ any workers in relation to the contract or sublet all or part of the contract out?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>	<p>Does the person carry out the work personally?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>
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Q.4 PAYMENT

<p>Is the contractor paid on the basis of a quotation for the job?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>	<p>Is the person paid on a time basis, eg by the hour, week, month?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>
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Q.5 SUPPLY OF TOOLS OF TRADE

<p>Does the contractor supply his or her own tools and materials?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>	<p>Are the tools and materials supplied by the employer?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>
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Q.6 TAXATION ARRANGEMENT

<p>Is the person subject to PPS tax arrangements?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>	<p>Does the employer deduct PAYE tax?</p> <p><input type="checkbox"/> No <input type="checkbox"/> Yes</p>
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If you answered **yes** to the majority of questions in this column then the person is considered to be a contractor. Do not declare the wages of these workers in your declaration of wages.

If you answered **yes** to the majority of questions in this column then the person is considered to be a deemed worker. You must declare the wages of these workers in your estimate of wages in the Deemed workers/contractors section on Page 3.

Note:

Employers who employ a contractor who is not deemed to be a worker must ensure that these contractors hold a current Workers Compensation policy in their own name. Failure to do so may make the employer liable for the full premium in respect of a contract in the event of a claim.