

All workers' compensation policies issued to Massachusetts employers require employers to report any changes in ownership to the insurance company in writing within 90 days of the change. This form is used to report such ownership changes and other changes as shown below. The information reported on this form is CONFIDENTIAL and will be used to assist in calculating the related employers' experience ratings and resulting premiums.

Sections I to V must be answered completely and the form must be signed, otherwise it will be returned.

If you need changes to be made to your policy, do not submit this form alone to your insurance company to request those changes. Rather, complete the form and submit it to your insurance company along with a written request explaining the changes you need made to your policy.

**IMPORTANT:** If your policy is insured through the Massachusetts Workers' Compensation Assigned Risk Pool, your carrier cannot add new entities or replace the entities named on your policy. If coverage is needed for a new or replacement entity, a new coverage application must be submitted to the WCRIBMA along with a completed ERM form.

### **1. NAME CHANGE**

A 'name change' would include a change to a trade name, a corporate or LLC name, or an individual's name. Enter the original name and ownership in the first column and the new name and ownership in the second column. If there was a change to a corporate or LLC name, attach the Amendments to the Articles of Organization. If a sole proprietor or partner has changed his/her personal name, provide supporting legal documentation.

### **2. FORMATION OF A NEW ENTITY THAT ACTS AS SUCCESSOR TO ANOTHER COMPANY**

When a new entity is formed (or an inactive company is reactivated) and it acts as a successor to another entity that may have dissolved, become non-operative, or continue to operate in a limited capacity, then the experience rating of the original company may be transferred to the new entity, even though no ownership or assets were sold or transferred. Complete the first column to show information about the original company and the second column to show information about the new company. Provide an explanation of the transaction in Section II and dates of activity and inactivity in Section IV.

### **3. DETERMINATION OF COMBINABILITY OF SEPARATE ENTITIES**

Entities that have a common majority of ownership must be combined for experience rating purposes, per NCCI's Experience Rating Plan Manual. For each entity connected by ownership, complete a separate column on page 2 of the Request for Ownership Information form. If more than three columns are required, complete additional ERM forms or attach a signed letter from the employer.

### **4. SALE, TRANSFER OR CONVEYANCE OF OWNERSHIP INTEREST**

When an entity undergoes an entire or partial change of ownership interest, the experience rating of the seller may be transferred to the buyer. Complete the first column to show the information about the company before the change in ownership, and complete the second column to provide information about the company after the change in ownership. Provide the details of the ownership change transaction in Section II.

### **5. SALE OR TRANSFER OF PHYSICAL ASSETS TO ANOTHER ENTITY WHICH TAKES OVER ITS OPERATIONS**

When the assets of one company are sold to another company and the buyer continues the seller's operation in some form, then in most cases, the experience of the seller is transferred to the buyer. Complete the first column to show information about the seller and the second column to show information about the buyer. Describe the following in Section II:

- The assets that were sold/transferred
- The locations that were sold/transferred
- The changes made to the operation, if any
- The percentage of seller's employees who will work for the buyer
- The involvement the seller will have in the business after the sale

### **6. MERGER OR CONSOLIDATION**

When two companies merge or consolidate to form a third company, or when one company merges into another, the experience of the two companies will be combined. Complete the first two columns to show the information about the two companies that were merged or consolidated, and complete the third column to provide information about the newly formed company or surviving company. Attach a signed copy of the Agreement and/or Articles of Merger.

### **7. IRREVOCABLE TRUST OR RECEIVER**

Per NCCI's Experience Rating Plan Manual, when a business forms an irrevocable trust or is assigned a receiver, either voluntarily or by court mandate, that transaction is considered a change in ownership, and the experience of the original business is transferred to the trustee or receiver. Complete the first column to show the original business and the second column to show the business as controlled by the irrevocable trust or receiver. Attach supporting legal documentation regarding the trust or receiver.