

THE STATE INSURANCE FUND

ADMINISTERED BY THE STATE WORKMEN'S COMPENSATION COMMISSION
OF THE STATE OF NEW YORK

PRINCIPAL OFFICE, ALBANY, NEW YORK



POLICY OF INSURANCE

The State Insurance Fund Hereby Insures, subject to the payment of the premium on this policy as hereinafter provided,

AMERICAN MANUFACTURING COMPANY

(Name of Employer)

of BROOKLYN

(City or Town)

NEW YORK

(State)

insurance (hereinafter called "the insured employer") whose principal plant or place of business within the State of New York is situated at Milton St. to Oak St., Franklin St. to East River, Brooklyn; Second Ave. & 8th St., Bklyn; Third Ave. & Sixth St., (Cuyler Cordage Co. plant) Victory Mills and Schuylerville, N. Y.

against liability under Chapter 816 of the Laws of 1913, known as "The Workmen's Compensation Act," and under any amendments thereof heretofore or hereafter adopted;

Excluding his liability to furnish medical and other treatment and care of injured employees as required by Section 13 of the Law;

And Assures to all employees of the insured employer (not including elected officers) whose remuneration is included, with the consent of the State Workmen's Compensation Commission, in the payroll upon which the premium for this policy is computed, the payment to the persons entitled thereto of compensation for accidents, injuries received or accidents occurring within the State of New York and arising out of and in the course of the employment, at the rate and to the amount provided for by the Workmen's Compensation Law.

If any employee of the insured employer whose compensation has been omitted from such payroll, is subject to the Law, the payment of compensation to the persons entitled thereto, as provided in the Law, is also assured by this Policy, notwithstanding such omission.

The insurance under this policy shall take effect on July 1st, 1914, provided the advance premium for six months' insurance, computed upon the estimated payroll of the insured employer within the State of New York for such period of six months and amounting to \$ 12,091.60 shall be paid to and received by the State Workmen's Compensation Commission within the time limited by the notice to pay the same; subject, however, to later modification of such premium by reason of:

1. Such modification, if any, of the rate as may be deemed by the Commission justified by the peculiar hazard of this individual risk, after inspection;

2. Such difference between the actual payroll and the estimated payroll, furnished the Commission;

Whatever additional premium, if any, is found due from the insured employer to the State Workmen's Compensation Commission by the insured employer, shall be repaid.

The insurance under this policy shall be renewed for succeeding periods of six months and six months' period unless, in compliance with the provisions of the Act, the insured employer, before the expiration of the period give the State Workmen's Compensation Commission notice of his intention to withdraw, accompanied by the payment of compensation, as is required by Subdivisions 2 or 3 of Section 50 of the Act.

Each renewal premium shall be payable to the State Workmen's Compensation Commission by the insured employer within two weeks after notice of the rate and amount thereof, subject also to readjustment at the close of the six months' period, as hereinbefore provided.

Toward the payment of each such premium for a succeeding period of six months, there shall be applied:

First, any sum found by the Commission to be due such insured employer as a result of the adjustment, as hereinbefore provided,

of the premium for the previous six months;

New York State Insurance Fund

Andrew M. Cuomo, Governor

Kenneth R. Theobalds, Chairman

Eric Madoff, Executive Director

issued, provides:

"Release from all Liability. An employer securing the payment of compensation by contributing premiums to the state fund shall thereby become relieved from all liability for personal injuries or death sustained by his employees, and the persons entitled to compensation under this chapter shall have recourse therefor only to the state fund and not to the employer. An employer shall not be relieved from the liability for compensation provided by this chapter except by the payment of the premium for the previous six months;

\$3,776,050,759

(Estimate)

NYSIF dividends paid to its workers' compensation safety groups since 1923, averaging 25% over 80 years.

Safety Groups

Since workers' compensation law placed the responsibility for insurance to cover workplace injuries and illnesses on employers, businesses essentially have been responsible for the safety of their workers. It was this responsibility and the cost of maintaining insurance that made employers more conscious of safety in reducing the hazards of industrial accidents. In 1923, NYSIF introduced an innovative program – safety groups – for safety conscious employers. Safety groups allow employers in the same industry to pool their insurance premiums in groups that focus on workplace safety and claims management. Many employers have saved considerable costs through NYSIF safety groups since then.

In the past two years, NYSIF paid nearly \$270 million in dividends to safety groups. That number climbs over \$3.7 billion since 1923. In 2014, NYSIF insured 110 safety groups. Qualifying policyholders also receive up-front discounts. Many groups have remained with the Fund for decades and have consistent dividend histories. Group managers, chosen by group members, include insurance brokers, risk managers and trade associations. Lovell Safety Management manages the longest active group, Launderers and Cleaners Group 34. Here is a brief history of several group managers.

Lovell Safety Management

For over seven decades, Lovell Safety Management Co., LLC, has provided secure, comprehensive workers' compensation solutions for New York employers. Lovell Safety is the oldest and largest group manager in the State Insurance Fund, with cumulative savings of more than \$1 billion for members.

Jac M. Lovell, an attorney for the Cleaners and Dyers Board of Trade, founded Lovell Safety in 1936. Since his retirement in 1970, it has successfully continued under his son, Stephen, and now, his grandson, Barry. The company handles the workers' compensation needs of more than 3,600 companies and tens of thousands of employees. A range of underwriting, claims, accounting and safety services has enabled members to control workers' compensation costs and directly improve their bottom lines.

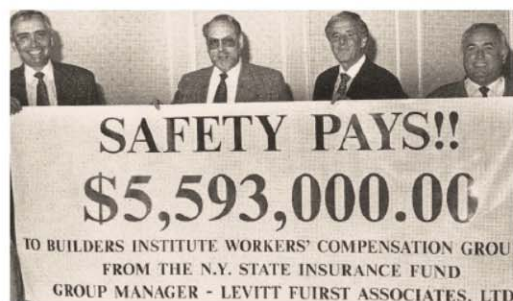


NY Farm Bureau Safety Group 486

A group of farmers who were members of the New York Farm Bureau established Safety Group 486 in 1967. Their goal was to offer the members of the New York Farm Bureau access to affordable workers' compensation coverage that also provided the tools to promote the importance of safety to those in the agricultural industry.

Since its inception, Safety Group 486 has grown to cover over 2,600 agricultural operations. From dairy operations to fruit and vegetable farms, it now covers almost every type of agricultural operation, including wineries, farm brewers and distillers. We look forward to sustained growth as the agricultural industry in New York continues to diver-

From top: Earliest known NYSIF logo, circa 1972; Farm Bureau Safety Group 486 member at work; Launderers and Cleaners Group 34 at an annual dividend meeting, circa 1994; Safety paid big dividends for a Levitt-Fuirst Associates' safety group, circa 1988.



sify. Members of the New York Farm Bureau Safety Group 486 value the expertise and guidance of those within the New York State Insurance Fund. We wish NYSIF a happy 100th anniversary and continued growth over the next 100 years.

Hamond Safety Management

Hamond Safety Management has had the pleasure to be associated with NYSIF for over 23 years and had the privilege of working with some very talented people during this time. We originally began our workers' compensation business 56 years ago before we began our relationship with NYSIF. We knew from our first meeting with State Fund management that NYSIF was the best place for our clients.

Paul Garritan, our executive vice president, began his career at NYSIF some 35 years ago. He often regaled us with fond memories of people he worked with during his tenure at the Fund. During that time, Herbert Jacobs was director of Underwriting and Morris Jacobs was director of Claims Administration. Computers were boxy terminals used by the underwriters to look up policies while claims employees documented all compensation payments in writing on the actual claim file. Separate color-coded cards were sent to the Audit Department for approval. The final step, recording the payment on a 3x5 index card, allowed the claims examiner to "keep tabs" on payments made on each case. There have been improvements and challenges through the years, and we have been proud to be a part of the NYSIF family all along.

— Saul B. Hamond, Hamond Safety Management President

The Flanders Group

Founded by Chris McVicker in 1981, the Flanders Group name comes from Flanders, Belgium, where commercial insurance originated. Flanders' logo is a rampant lion on the shield of the Count of Flanders. This is the basis for the company's motto, "A Pride of Insurance Experts."

The agency focuses on six markets that started in real estate with the creation of the Real Estate Owners and Managers



Top, l: NYSIF's Mary L. Angarano presented a 75th anniversary plaque to G.C.G. Scrap Iron and Steel Safety Group 88 Chair Steve Kowalsky, joined by the late-George Stanton of Roth Steel in 2012; Flanders Group presented NYSIF dividend checks to Rudin Management Co. (above) and Grenadier Real Estate Corp. (left) in 1996.

NYSIF Top 10 Safety Group Managers

Lovell Safety Management
Keevily-Spero-Whitelaw, Inc.
The Durnan Group
The Flanders Group
Hamond Safety Management
Friedlander Group
Auto Dealers Association Group 430
Levitt-Fuirst Associates
New York Farm Bureau Group 486
G.C.G. Risk Management

Safety Group 512 in 1987. In 1989, it added Marinas and Recreational Boat Sales/Service Safety Group 517, with an endorsement by the Empire State Marine Trades Association. The New York State Automobile and Recreational Vehicle Dealers Safety Group 563 followed in 1994.

New York State Horticulture/Floriculture Industries Safety Group 453, with an endorsement by the New York State Nursery Landscape Association, came about in April 1998. In May of that year, Flanders entered the machine shop and metal working industries with Select Manufacturers' Association of New York, Inc., Safety Group 572. Its latest group, Select Waste Industry Association of New York Safety Group

579 began in 2006 and focuses on refuse haulers and recyclers.

Congratulations to NYSIF on 100 years of service to the business owners of New York State.

Friedlander Group

Friedlander Group President Adam Friedlander and his team, including Executive Vice President Cosmo Preiato, formed the first of seven safety groups in 1992. Since then, their members have saved more than \$300 million in discounts and averaged dividends of 32% in the retail, wholesale, restaurant, hotel, oil dealers, home healthcare and residential care industries.