

**NEBRASKA AMENDATORY ENDORSEMENT FOR EXCESS WORKERS'  
COMPENSATION POLICIES**

(Required by the Nebraska Workers' Compensation Court)

**NEBRASKA AMENDATORY ENDORSEMENT**

Attached to and forming part of Policy Number \_\_\_\_\_

Issued to \_\_\_\_\_

by \_\_\_\_\_ (The Insurer).

The following amendments are added to this policy and, insofar as may be applicable, supersede any policy provisions to the contrary:

**Section I: Cancellation or Change:**

If amendments to this policy are made after a copy of this policy has been submitted to the Nebraska Workers' Compensation Court, then the insurer shall forward copies of the applicable endorsements to the Nebraska Workers' Compensation Court as they are issued. No cancellation (other than for non-payment of premium), reduction in limits, deletion of an entity doing business in Nebraska or increase in retention shall be effective until after 60 days notice to the Nebraska Workers' Compensation Court, unless the Court agrees to an earlier date. Cancellation for non-payment of premium shall not be effective until after 30 days notice to the Workers' Compensation Court unless the Court agrees to an earlier date. Submission of endorsements that only adjust rates or premiums is not required. Retrospective rating of this policy is not permitted. Adjustments in retentions do not need to be filed if they are merely the result of applying a formula specified in the policy. These requirements notwithstanding, cancellation by the insured may be made at any time upon prior written notice to the insurer and the Workers' Compensation Court, provided that the Workers' Compensation Court has accepted evidence of replacement coverage.

**Section II: (Applies only to policies providing aggregate coverage):**

In case of cancellation at request of the insurer, the maximum aggregate retention for the insured shall be no greater than that determined in the following manner:

- a. If the insured's retention is not subject to recomputation on the basis of actual payrolls (or other exposure base), then the insured's retention shall be the pro rated annual retention.
  
- b. If the insured's retention is determined on a formula basis subject to recomputation on the basis of actual payrolls (or other exposure base), then the insured's retention shall be no larger than the greatest of the following:
  1. the pro rated percentage of any minimum retention shown, or
  
  2. the retention which would be computed for an entire annual policy period should the actual payroll (or other exposure base) for the insured for the incomplete policy period be used as if it were the exposure for the entire year.

**Section III: Coverage Restrictions Waived:**

In the event of bankruptcy, insolvency or other financial inability of the Insured to pay to its employees or their dependents the benefits provided in the Nebraska Workers' Compensation Act, any provision of this policy restricting coverage which would otherwise be applicable because of cause of loss (i.e. due to accident or disease), reporting delays either by the insured or covered employee (i.e. delays in reporting disease claims), or other general exclusions relating to "Cooperation of Insured" are hereby waived. This Section shall not affect any restrictions pertaining solely to employers' liability or liability assumed by contract.

**Section IV: Bankruptcy or Insolvency of Insured:**

In the event of bankruptcy, insolvency or other financial inability of the Insured to pay its employees or their dependents the benefits provided in the Nebraska Workers' Compensation Act, the insurer shall cooperate with the Nebraska Workers' Compensation Court in determining when the sum of paid claims and claims which were due to be paid but remain unpaid (if any) are at least that amount which would otherwise be the insured's retention and, should this point be reached, the following provisions apply:

- a. The insurer shall make direct to the insured's employees or others such payments as would otherwise have been made by the insurer to the insured, and the insured agrees that payment so made by the insurer to the insured's employees or others shall fulfill policy obligation and be equivalent to payment to the insured.
  
- b. The insurer agrees to administer and adjust claims up to its limit(s) of liability in the same manner as would an insurer providing "full" or "statutory" workers' compensation coverage.
  
- c. In the event that the insurer is required to make direct payments, claims reports shall be made to the Nebraska Workers' Compensation Court as would ordinarily be made by an insurer providing "full" or "statutory" workers' compensation coverage.