



Minnesota Workers' Compensation
Insurers Association, Inc.

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www.mwcia.org

January 11, 2018

ALL ASSOCIATION MEMBERS

Circular Letter No. 18-1724

RE: Revised Minnesota ERM-14 (Confidential Request for Ownership Information) Form

The Minnesota Department of Commerce has approved the above filing to become effective 12:01 a.m., March 1, 2018, for new and renewal business. The purpose of this filing is to revise the Minnesota ERM-14 (Confidential Request for Ownership Information) Form, which is located in the *Minnesota Experience Rating Plan Manual*.

The current Minnesota ERM-14 is a four page form and can be confusing and difficult for users who are filling out the form. MWCIA's revised two page Minnesota ERM-14 form has been streamlined making it easier to complete, while still obtaining the information needed for MWCIA to make ownership rulings. MWCIA's future goal is to allow users to manage the ownership form(s) via a new web application.

Attached is a copy of the Minnesota ERM-14 form showing strikethrough and underlined text. The strikethroughs indicate deleted text, while the underlining indicates new text. A copy of the final version of the form has also been included.

Please direct any questions you may have concerning this item to MWCIA's Underwriting Department at 952-897-1737, Option 1, or email to underwriting@mwcia.org.

ERM-14 FORM—CONFIDENTIAL REQUEST FOR OWNERSHIP INFORMATION

All items must be answered completely or the form may be returned.

The following confidential ownership statements may be used only in establishing premiums for your insurance coverages. Your workers compensation policy requires that you report ownership changes, and other changes as detailed below, to your insurance carrier in writing within 90 days of the change. If you have questions, contact your agent, insurance company, or the appropriate rating organization. Once completed, this form must be submitted to the rating organization by you, your insurance carrier(s), or your agents. If this form does not provide the means to explain the transaction, enter as much information on the form as possible and supplement the form with a narrative on the employer's letterhead, signed by the owner, partner, or executive officer.

Section A—Transaction and Entity Information

Check all that apply	TYPE OF TRANSACTION (CHECK ONE OF THE TYPES LISTED BELOW ARE FOR THE TYPE OF TRANSACTION)	Reported Date (Enter date reported in writing to your insurance provider.)
<input type="checkbox"/>	Complete Column B after the transaction.	
<input type="checkbox"/>	Sale, transfer of ownership, change and	
<input type="checkbox"/>	Sale, transfer of ownership, change and	
<input type="checkbox"/>	Merger or consolidation of Columns A and B for the entity.	
<input type="checkbox"/>	Formation of a new entity to another entity that: (continue to operate in a) May	
<input type="checkbox"/>	An irrevocable trust or by court mandate Column B after the	
<input type="checkbox"/>	Determination of a separate common ownership	

ENTITY 1—COMPLETE

Complete Name _____ RiskID _____

FEIN _____ (if not applicable) Carrier _____

Policy # _____

- ☐ Sole Proprietorship

☐ Partnership

☐ Domestic Corporation

☐ Foreign Corporation (Incorporated)

☐ Sub-Chapter S-Corp

☐ Temporary Limited Partnership

☐ Publicly Traded Corporation

☐ State Agency

☐ County Agency

☐ Municipality

☐ Trust

☐ Religious Organization

☐ Charitable Organization

☐ Franchise

☐ ESOP

Primary Address

Street _____ City, State, Zip _____

Telephone _____ Fax _____

Number _____ Number _____ E-mail Address _____ Contact _____

Name _____ Web Site _____ Mailing _____

Address (if different than Primary Address) _____ Additional _____

Location(s) _____

ENTITY 2—Complete Column B on Page 3

Complete Name of Entity (including DBA or TA) _____

RiskID _____ **FEIN** _____

Type of Entity (check all that apply) **Carrier** _____ **Policy #** _____ **Eff. Date** _____

- | | | | | |
|---|---|--|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Temporary Labor Service | <input type="checkbox"/> School District | <input type="checkbox"/> Irrevocable Trust |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> Publicly Traded | <input type="checkbox"/> For Profit | <input type="checkbox"/> Religious Organization |
| <input type="checkbox"/> Domestic Corporation | <input type="checkbox"/> Joint Venture | <input type="checkbox"/> State Agency | <input type="checkbox"/> Not for Profit | <input type="checkbox"/> Charitable Organization |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Association (including unincorporated) | <input type="checkbox"/> County Agency | <input type="checkbox"/> Non-Profit | <input type="checkbox"/> Franchise |
| <input type="checkbox"/> Sub-Chapter S-Corp | <input type="checkbox"/> Employee Leasing | <input type="checkbox"/> Municipality | <input type="checkbox"/> Trust | <input type="checkbox"/> ESOP |

Primary Address

Street _____ City, State _____

Telephone Number _____

Contact Name _____ Mailing

Address (if different) _____ Additional

Location(s) _____

ENTITY 3—Complete

Complete Name of Entity _____ **RiskID** _____

FEIN _____ **Type of Entity** (check all that apply) **Carrier** _____

Policy # _____

- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> School District | <input type="checkbox"/> Irrevocable Trust |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> For Profit | <input type="checkbox"/> Religious Organization |
| <input type="checkbox"/> Domestic Corporation | <input type="checkbox"/> Joint Venture | <input type="checkbox"/> Not for Profit | <input type="checkbox"/> Charitable Organization |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Association | <input type="checkbox"/> Non-Profit | <input type="checkbox"/> Franchise |
| <input type="checkbox"/> Sub-Chapter S-Corp | <input type="checkbox"/> Employee Leasing | <input type="checkbox"/> Trust | <input type="checkbox"/> ESOP |

Primary Address

Street _____

Telephone Number _____

Contact Name _____ Mailing

Address (if different) _____ Additional

Location(s) _____

Section B—Ownership Information

1. Have you changed ownership in the last four years? ☐ Yes ☐ No
2. Are any of the owners common majority owners of another entity of the form? ☐ Yes ☐ No

3. Have any of these entities been related through common majority ownership to other entities in the last four years? ☐ Yes ☐ No

4. If you answered Yes to question 1, 2, or 3 above, provide additional information, including which question(s) your answer references: ☐ 1 ☐ 2 ☐ 3

Name of Principal _____

Carrier and Effective Date _____

Business Location _____

Policy Number _____

5. Were the assets and/or ownership interest (all or a portion) of this entity acquired from a previously existing business? ☐ Yes ☐ No If yes, you must provide complete ownership information for the prior owner in column A and ownership information for the new owner in column B.
6. If this is a partial sale, transfer, or conveyance of an existing business (i.e. sale of one or more plants or locations):
- Explain what portion or location of the entire operation was sold, transferred, or conveyed.
 - Was this entity insured under a separate policy from the remaining portion? ☐ Yes ☐ No
- If not, specify the entities with which it was combined:

- Other**—If no voting securities are owned by the board of directors or comparable body, check this box and explain below:

Section D—Did You Remember to . . .

- Indicate the type of transaction, check all that apply, and include transaction and notification dates?
- Complete all necessary entity information? Note: You can use more forms if the number of entities exceeds three.
- Entity name
- Risk identification number (if you know it)
- Federal Employer Identification Number (FEIN)
- Type of entity
- Primary address, telephone, and other contact information
- Mailing address and additional locations if applicable
- Fill out the ownership table completely? See Section A?
- Include the names of the entities? See Section A?
- Include all owners, partners, board members, members and/or manager of LLCs, general partners of LPs, or any other comparable governing body?
- Include percentage of ownership? See Section A? partner, board of director member, manager of LLCs, general partner of LPs, or any other comparable governing body?
- Answer questions regarding the transaction?

Section E

This is to certify that the information on this form is true and correct.

[All forms with this signature line must be signed by the person who provided the information.]

Name of person who provided information _____

Check which entity type: ☐ Other ☐ Other

Signature of Owner, Partner,
Executive Officer

Print name of above signature

Carrier _____

Section F—For Rating Organizations

Associate/Automated _____ Date _____

received _____ Date _____

complete _____ Assessment—

form complete _____ Ruling

Revisions _____ Revisions

complete _____ Rating

Effective Date in effect? Which ones? _____ Risk ID

impacted—list all impacted? Indicate deactivated #s _____ All

carriers/rating organization _____

Minnesota ERM-14

Confidential Request for Ownership Information

All items must be answered completely or the form may be returned.

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Note: This form is for Minnesota policyholders to report ownership changes pertaining to their Minnesota business entities. Any entity with exposure in multiple states should complete the national version of the ERM-14 form and submit to the National Council on Compensation Insurance, Inc. (NCCI) for review. The national ERM-14 form can be accessed on NCCI's website at www.ncci.com.

Section A – Type of Transaction

Check all that apply	TYPE OF TRANSACTION [COLUMNS A, B & C LOCATED ON PAGE 2 UNDER SECTION C.]	Effective Date <small>[Enter effective date of transaction]</small>	Reported Date <small>[Enter date reported in writing to your insurance carrier]</small>
<input type="checkbox"/>	<u>Name and/or legal entity change</u> <i>A change has occurred to the name and/or legal status of the entity.</i> NOTE: DBA Name changes are not considered ownership changes and do not need to be reported to MWCIA.		
<input type="checkbox"/>	<u>Sale, transfer or conveyance of all or a portion of an entity's ownership interest</u> <i>A change has occurred to the ownership of the entity.</i>		
<input type="checkbox"/>	<u>Sale, transfer or conveyance of an entity's physical assets to another entity that takes over its operations</u> <i>An entity sells or transfers its assets to another entity and the acquiring entity takes over the operations of the selling/transferring entity. The entity or business name may or may not be sold or transferred with the other assets.</i>		
<input type="checkbox"/>	<u>Merger or consolidation (Attach copy of articles of merger or articles of consolidation)</u> <i>Two or more entities combine to form a single entity.</i>		
<input type="checkbox"/>	<u>Formation of a new entity that acts as, or in effect is, a successor to another entity</u> <i>A new entity is formed or replaces an entity that has dissolved or a new entity is formed and the prior entity has ceased operations or operates in a limited capacity.</i>		
<input type="checkbox"/>	<u>Irrevocable trust or receiver</u> <i>A change has occurred to the entity, either voluntarily or by court mandate that requires the entity to be put in a trust or receivership.</i>		
<input type="checkbox"/>	<u>Determination of combinability of separate entities</u> <i>Two or more entities have common ownership and may be combinable for experience rating purposes.</i>		

Section B – Ownership History

1. Have any of these entities operated under another name in the last four years?

☐ Yes ☐ No If Yes:

Name of Entity

2. Are any of the entities currently related through common majority ownership to any entity not listed on this form?

☐ Yes ☐ No If Yes:

Name of Entity

3. Have any of these entities been previously related through common majority ownership to any other entities in the last four years?

☐ Yes ☐ No If Yes:

Section C – Ownership Detail

Information	Column A <small>Enter name used in Section A for Entity 1</small> Entity 1	Column B <small>Enter name used in Section A for Entity 2</small> Entity 2	Column C <small>Enter name used in Section A for Entity 3</small> Entity 3 <small>If applicable, use this column for multiple combinations or entities resulting from mergers and consolidations</small>
Name of Entity			
Entity Information: <ul style="list-style-type: none"> • <u>Address</u> • <u>FEIN</u> • <u>Policy Number</u> 			
Ownership			
Total Ownership Interest or Number of Shares			

NOTE: If your business has changed significantly to result in a change to the primary (governing) classification and the process and hazard of the operation have also changed, contact your agent, insurance carrier or MWICIA for additional information.

Section D – Additional Information

Please include any additional information you believe pertinent to the transaction detailed above that cannot be expressed due to the format of this form. If there is not enough space below, attach the information on the entity's letterhead signed by an owner, partner or executive officer.

Section E – Certification

This is to certify that the information contained on this form is complete and correct.

[All forms will be returned if this Certification Section is incomplete.]

Name of person completing form:

Signature of Owner, Partner, Member or Title
Executive Officer

Print name of above signature Date

Carrier

Carrier Address

MINNESOTA ERM-14—CONFIDENTIAL REQUEST FOR OWNERSHIP INFORMATION

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Section A—Type of Transaction

Check all that apply	TYPE OF TRANSACTION [COLUMNS A, B & C LOCATED ON PAGE 2 UNDER SECTION C.]	Effective Date [Enter effective date of transaction.]	Reported Date [Enter date reported in writing to your insurance provider.]
<input type="checkbox"/>	Name and/or legal entity change <i>A change has occurred to the name and/or legal status of the entity.</i> NOTE: DBA Name changes are not considered ownership changes and do not need to be reported to MWCIA.		
<input type="checkbox"/>	Sale, transfer or conveyance of all or a portion of an entity's ownership interest <i>A change has occurred to the ownership of the entity.</i>		
<input type="checkbox"/>	Sale, transfer or conveyance of an entity's physical assets to another entity that takes over its operations <i>An entity sells or transfers its assets to another entity and the acquiring entity takes over the operations of the selling/transferring entity. The entity or business name may or may not be sold or transferred with the other assets.</i>		
<input type="checkbox"/>	Merger or consolidation (Attach copy of articles of merger or articles of consolidation) <i>Two or more entities combine to form a single entity.</i>		
<input type="checkbox"/>	Formation of a new entity that acts as, or in effect is, a successor to another entity <i>A new entity is formed or replaces an entity that has dissolved or a new entity is formed and the prior entity has ceased operations or operates in a limited capacity.</i>		
<input type="checkbox"/>	Irrevocable trust or receiver <i>A change has occurred to the entity, either voluntarily or by court mandate, that requires the entity to be put in a trust or receivership.</i>		
<input type="checkbox"/>	Determination of combinability of separate entities <i>Two or more entities have common ownership and may be combinable for experience rating purposes.</i>		

Section B—Ownership History

1. Have any of these entities operated under another name in the last four years?

☐ Yes ☐ No If Yes: _____
Name of Entity

2. Are any of the entities currently related through common majority ownership to any entity not listed on this form?

☐ Yes ☐ No If Yes: _____
Name of Entity

3. Have any of these entities been previously related through common majority ownership to any other entities in the last four years?

☐ Yes ☐ No If Yes: _____
Name of Entity

Section C—Ownership Detail

Col. A = Ownership before change
Col. B = Ownership after change

or Col. A & B = Ownership before change
Col. C = Ownership after change

Information	Column A	Column B	Column C
Name of Entity			
Entity Information: • Address • FEIN • Policy Number			
Ownership			
Total Ownership Interest or Number of Shares			

NOTE: If your business has changed significantly to result in a change to the primary (governing) classification and the process and hazard of the operation have also changed, contact your agent, insurance company or MWCIA for additional information.

Section D—Additional Information

Please include any additional information you believe pertinent to the transaction detailed above that cannot be expressed due to the format of this form. If there is not enough space below, attach the information on the entity's letterhead signed by an owner, partner or executive officer.

Section E—Certification

This is to certify that the information contained on this form is complete and correct.

[All forms will be returned if this Certification Section is incomplete.]

Name of person completing form: _____

Signature of Owner, Partner, Member or Executive Officer

Title

Print name of above signature

Date

Insurance Company

Insurance Company Address