



Dongbu Insurance

Workers Compensation Policy

**Dongbu Insurance Co., Ltd. (U.S. Branch)
1440 Kapiolani Blvd., Suite 950
Honolulu, HI 96814
1-808-942-5353**

Privacy Notice

Dongbu Insurance Co., Ltd. (DB) recognizes the importance of respecting the privacy of our policyholders in our marketing, sales, servicing and claims settlement activities. We want to make sure that you know the steps we take to protect the privacy of the customer information we collect and, in some cases, disclose.

We encourage you to read the following information about how we collect, disclose and protect your information. No action is required on your part.

Your Privacy is Our Concern

When you apply to DB for insurance or make a claim against a policy written by DB you give us information about yourself. We must comply with certain federal and state laws and regulations that govern our collection, use, and disclosure of your information. In order to comply with those laws, and to carry out our commitment to maintaining your privacy, we do the following:

- Maintain physical, electronic, and procedural safeguards to guard your personal information;
- Limit access by our employees to your personal information;
- Train our employees about the importance of maintaining the confidentiality of your personal information; and
- Enforce compliance by our employees with privacy laws and regulations.

What kind of information do we collect?

Most of the information we collect about you we get directly from you. Generally, we can get most of the information we need to know about you from the application or claim form you complete, and any other information you provide. If we do not initially obtain all of the information we need from you, we may contact you by phone or mail to obtain more information. We may also use information we have about you from your other claims or policies with us, or from your transactions with our affiliates.

B. We may disclose information to affiliates and unaffiliated third parties for the purpose of servicing customers' insurance needs, performing business services for us or as otherwise permitted or required by law. For example, at times we disclose information about our policyholders such as name, address, telephone number, policy number and coverages to service providers for the provision of specific services such as inspections and appraisals after a claim and marketing our insurance products. For purpose of fraud prevention, we also participate in several insurance industry supported databases of reported claims and additional driver information. We may disclose information to organizations conducting actuarial or research studies and to companies that perform research and marketing services on our behalf. Any personally identifiable medical information about you will not be shared for any purpose other than to administer a claim, or as disclosed to you when the information is collected or to which you consent.

C. We may disclose information we have collected with financial institutions such as banks and other insurance companies with whom we have joint marketing agreements to offer other financial services and/or products.

To whom do we disclose information about you?

We do not disclose any personal information about you to anyone unless allowed by law. The law allows us to share your information with our affiliates to market products or services to you. You cannot prevent those disclosures.



Dongbu Insurance

1440 Kapiolani Blvd., Suite 950
Honolulu, HI 96814

Workers Compensation and Employers Liability Insurance Policy

Policy Number	Policy Period	
	From	To
DWC 1500103 02	12/31/2017	12/31/2018 <small>12:01 A.M. Standard Time at your mailing address shown below.</small>
Renewal Of	Transaction	
DWC 1500103 01	Renewal Business	

1. Named Insured and Mailing Address			Agent	
AOAO MAUI SANDS C/O ASSOCIA HAWAII 375 HUKU LII PLACE, SUITE 207 KIHEI HI 96753			BRUCE BACHLE 700 BISHOP STREET, SUITE 1400 HONOLULU HI 96813	
UNEMPLOYMENT ID # 0003000222	CARRIER # 76031	FEIN # 990160129	Risk ID # 000031224	Entity of Insured CORPORATION

Other Workplaces Not Shown Above: See attached Location Schedule

2. The Policy Period is from 12/31/2017 to 12/31/2018 12:01 a.m. Standard Time at the Insured's mailing address.
3. A. Workers Compensation Insurance: Part ONE of the policy applies to the Workers Compensation Law of the states listed here: HI
- B. Employers Liability Insurance: Part TWO of the policy applies to work in each state listed in Item 3A. The limits of our liability under Part TWO are:
- | | | | |
|---------------------------|----|---------|---------------|
| Bodily Injury by Accident | \$ | 500,000 | each accident |
| Bodily Injury by Disease | \$ | 500,000 | policy limit |
| Bodily Injury by Disease | \$ | 500,000 | each employee |
- C. Other States Insurance: Part THREE of the policy applies to the states, if any, listed here: None
- D. This policy includes these endorsements and schedules: See attached Endorsement Schedule
4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates, and Rating Plans. All information required below is subject to verification and change by audit.

Assessments and Taxes SEE EXTENSION OF INFORMATION PAGE

	Total Estimated Annual Premium	\$	2,674
	Expense Constant	\$	
Minimum Premium	\$ 600	Premium Discount	\$
		Deposit Premium	\$ 2,674

This is a Three Year Fixed Rate Policy

Premium Adjustment Period: Annual; Semiannual; Quarterly; Monthly

Countersigned this _____ Day of _____

Issued Date: 10/27/2017

AUTHORIZED REPRESENTATIVE



Dongbu Insurance

1440 Kapiolani Blvd., Suite 950
Honolulu, HI 96814

Workers Compensation and Employers Liability
Insurance Policy

Policy Number: DWC 1500103 02
Named Insured: AOA MAUI SANDS
Agent: BRUCE BACHLE 0700308

ENDORSEMENT SCHEDULE

State	Form Nbr.	Ed. Date	Description
HI	WC000403	4/84	EXPER RATING MOD FACTOR ENDT
HI	WC000404	4/84	PENDING RATE CHANGE ENDT
HI	WC000414	7/90	NOTIFICAT OF CHNG IN OWNERS
HI	WC000419	1/01	PREMIUM DUE DATE ENDORSEMENT
HI	WC000421D	1/15	CATASTROPHE PREMIUM ENDT
HI	WC000422B	1/15	TERRORISM RISK INS ACT ENDT
HI	WC520602	1/96	HI NOTIFICATION ENDT



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1440 Kapiolani Blvd., Suite 950
Honolulu, HI 96814

Workers Compensation and Employers Liability
Insurance Policy

Policy Number: DWC 1500103 02
Named Insured: AOA MAUI SANDS C/O ASSOCIA HAWAII
Agent: BRUCE BACHLE 0700308

EXTENSION OF INFORMATION PAGE CLASSIFICATION OF OPERATIONS

Code No.	Classification Description	Premium Basis Total Est. Annual Remuneration	Rate Per 100 of Remuneration	Estimated Annual Premium
Hawaii				
UNIT: 00001 ADDRESS: 375 HUKU LII PLACE, SUITE 207 PERIOD: 12/31/2017 TO 12/31/2018				
9013	CONDOMINIUMS OR COOPERATIVES - ALL EMPLOYEES	63,975	5.290000 \$	3,384.00
	MANUAL PREMIUM		\$	3,384.00
9807	INCREASED LIMITS OF EMPLOYERS LIABILITY	3,384	0.017000 \$	58.00
9848	TO EQUAL MINIMUM PREMIUM (E L)		0.000000 \$	42.00
9655	DONGBU MULTI-POLICY DISCOUNT	3,484	0.200000 \$	-697.00
9898	EXPERIENCE MODIFICATION	2,787	0.950000 \$	-139.00
9740	TERRORISM	63,975	0.020000 \$	13.00
9741	CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)	63,975	0.020000 \$	13.00
	STATE TOTAL		\$	2,674.00
	POLICY TOTAL		\$	2,674.00

POLICY ISSUED BY: DONGBU INSURANCE COMPANY

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INFORMATION PAGE

Policy Number: DWC 1500103 02

OTHER WORKPLACES

AOAO MAUI SANDS C/O ASSOCIA HAWAII
375 HUKU LII PLACE, SUITE 207
KIHEI HI 96753

Issued: 10/27/2017

INSURED COPY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GUARANTEE AGREEMENT

It is understood and agreed by Dongbu Insurance Co., Ltd. (Dongbu Korea) that in the event the U.S. Branch fails to pay any loss thereunder for which the U.S. Branch is legally liable, Dongbu Korea will immediately and automatically become liable for 100% of any loss payable under the said policy and will make payment thereof directly to the Insured(s) named in said policy and the Mortgagee or Beneficiary under any present or future mortgage or trust deed, if any, as their respective interests may appear, subject always to other terms of said policy. As a condition precedent to payment hereunder, Dongbu Korea and its U.S. Branch shall be subrogated to all rights of the Insured(s) and Mortgagee or Beneficiary to the extent of such payment.

It is further understood and agreed that such payment shall fully discharge and release Dongbu Korea and its U.S. Branch from any and all liability in respect of the said claims to the extent of such payment.

EXPERIENCE RATING MODIFICATION FACTOR ENDORSEMENT

The premium for the policy will be adjusted by an experience rating modification factor. The factor was not available when the policy was issued. The factor, if any, shown on the Information Page is an estimate. We will issue an endorsement to show the proper factor, if different from the factor shown, when it is calculated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.

Premium \$

Insurance Company

Countersigned by _____

PENDING RATE CHANGE ENDORSEMENT

A rate change filing is being considered by the proper regulatory authority. The filing may result in rates different from the rates shown on the policy. If it does, we will issue an endorsement to show the new rates and their effective date.

If only one state is shown in Item 3.A. of the Information Page, this endorsement applies to that state. If more than one state is shown there, this endorsement applies only in the state shown in the Schedule.

Schedule

State

HAWAII

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium \$

Insurance Company

Countersigned by _____

NOTIFICATION OF CHANGE IN OWNERSHIP ENDORSEMENT

Experience rating is mandatory for all eligible insureds. The experience rating modification factor, if any, applicable to this policy, may change if there is a change in your ownership or in that of one or more of the entities eligible to be combined with you for experience rating purposes. Change in ownership includes sales, purchases, other transfers, mergers, consolidations, dissolutions, formations of a new entity and other changes provided for in the applicable experience rating plan manual.

You must report any change in ownership to us in writing within 90 days of such change. Failure to report such changes within this period may result in revision of the experience rating modification factor used to determine your premium.

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(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium \$

Insurance Company

Countersigned by _____

PREMIUM DUE DATE ENDORSEMENT

This endorsement is used to amend:

Section D. of Part Five of the policy is replaced by this provision.

**PART FIVE
PREMIUM**

D. **Premium** is amended to read:

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid. **The due date for audit and retrospective premiums is the date of the billing.**

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(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium \$

Insurance Company

Countersigned by _____

CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT

This endorsement is notification that your insurance carrier is charging premium to cover the losses that may occur in the event of a Catastrophe (other than Certified Acts of Terrorism) as that term is defined below. Your policy provides coverage for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism). This premium charge does not provide funding for Certified Acts of Terrorism contemplated under the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 B), attached to this policy.

For purposes of this endorsement, the following definitions apply:

- **Catastrophe (other than Certified Acts of Terrorism):** Any single event, resulting from an Earthquake, Noncertified Act of Terrorism, or Catastrophic Industrial Accident, which results in aggregate workers compensation losses in excess of \$50 million.
- **Earthquake:** The shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity.
- **Noncertified Act of Terrorism:** An event that is not certified as an Act of Terrorism by the Secretary of Treasury pursuant to the Terrorism Risk Insurance Act of 2002 (as amended) but that meets all of the following criteria:
 - a. It is an act that is violent or dangerous to human life, property, or infrastructure;
 - b. The act results in damage within the United States, or outside of the United States in the case of the premises of United States missions or air carriers or vessels as those terms are defined in the Terrorism Risk Insurance Act of 2002 (as amended); and
 - c. It is an act that has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- **Catastrophic Industrial Accident:** A chemical release, large explosion, or small blast that is localized in nature and affects workers in a small perimeter the size of a building.

The premium charge for the coverage your policy provides for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism) is shown in Item 4 of the Information Page or in the Schedule below.

Schedule

State	Rate	Premium
HAWAII	0.02	\$13.00

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Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium:

Insurance Company

Countersigned by

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto, including any amendments resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2015.

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured Loss" means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

"Insurer Deductible" means, for the period beginning on January 1, 2015, and ending on December 31, 2020, an amount equal to 20% of our direct earned premiums, during the immediately preceding calendar year.

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a calendar year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed:
 - a. \$100,000,000, with respect to such Insured Losses occurring in calendar year 2015, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
 - b. \$120,000,000, with respect to such Insured Losses occurring in calendar year 2016, the United States Government would pay 84% of our Insured Losses that exceed our Insurer Deductible.
 - c. \$140,000,000, with respect to such Insured Losses occurring in calendar year 2017, the United States Government would pay 83% of our Insured Losses that exceed our Insurer Deductible.

HAWAII NOTIFICATION ENDORSEMENT

This endorsement applies to the insurance provided by this policy because Hawaii is shown in Item 3.A. of the Information Page.

Hawaii law requires that all policies issued to employers for workers compensation insurance disclose clearly to employers as separate figures the portion of the premium charged for categories (1) through (5) below. Category (6) is provided for informational purposes only so that the figures total 100%. These figures are provided below in column A as percentages of standard premium because rates are filed and approved on a standard premium basis. If the figures were not provided as percentages of standard premium, the percentages would vary by policy based on any premium discounts applied to the individual policy. Hawaii law also requires the disclosure of the percentages of premiums expended during the previous year by the insurer for claims paid in the same categories. These percentages are provided below in column B based on the most recent available calendar year data. The figures in column B may not total to 100% since premiums collected in any individual calendar year will not correspond exactly to the claims and expenses paid in that calendar year.

Category	A	B
(1) Medical care, services, and supplies	<u>24.5</u> %	<u>41.9</u> %
(2) Wage loss benefits including temporary total, temporary partial, and permanent total disability benefits and their related benefits	<u>11.9</u> %	<u>23.6</u> %
(3) Indemnity benefits for permanent partial disability	<u>14.7</u> %	<u>0.0</u> %
(4) Death benefits	<u>0.4</u> %	<u>0.0</u> %
(5) Loss control and administrative costs, attorney's fees of the insurer, the cost of employer requested medical examinations and private investigation costs	<u>12.0</u> %	<u>24.4</u> %
(6) Production costs, general expense, premium tax, Special Compensation Fund, miscellaneous tax, Hawaii Hurricane Relief Fund	<u>36.6</u> %	<u>19.7</u> %

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Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium \$

Insurance Company

Countersigned by _____