

The ERM-14 form is used to detail the ownership of an entity or entities. It can be used in many different situations to convey information to NCRB and the carrier.

Use the ERM-14 Form to:

- report a name change,
- determine combinability of separate entities for experience rating purposes,
- report the sale, transfer or conveyance of an ownership interest,
- report the sale, transfer or conveyance of an entities physical assets to another entity which takes over its operations,
- report a voluntary or court-mandated establishment of a trustee or receiver,
- report the formation of a new entity, or
- report a merger or consolidation

Instructions for Completing an ERM-14 Form

Section A-Transaction and Entity Information

Type of Transaction- This section should be completed to indicate the type of ownership transaction being reported to the Bureau.

Name and/or legal entity change – If an entity has undergone a change in relation to the name of the entity or the legal status of the entity, the **Type of Entity** portion of the ERM-14 form located in Section A should be completed for each entity to reflect the change. Column A which is located in Section B should be completed for the former entity and column B which is located in Section B should be completed for the newly named entity.

Sale, transfer or conveyance of all or a portion of an entity's ownership interest- Complete column A and column B which are located in Section B. Column A should be completed to reflect ownership before the change and column B should be completed to reflect ownership after the change.

Sale, transfer or conveyance of an entity's physical assets to another entity that takes over its operations- Complete column A and column B which are located in Section B. Column A should be completed to reflect the ownership of the former entity and column B should be completed to reflect the ownership of the acquiring entity.

Merger or consolidation (attach copy of agreement) - Complete columns A and B located in Section B for the former entities. Column C located in Section B should be completed for the surviving entity.

Formation of a new entity that acts as, or in effect is, a successor of another entity that has dissolved, is non-operative or may continue to operate in a limited capacity- Complete the columns in Section B for each newly formed entity.

An irrevocable trust or receiver established either voluntarily or by court mandate-Complete column A and column B which are located in Section B. Column A should be completed to reflect the ownership before the change and column B should be completed to reflect the ownership after the change.

Determination of combinability of separate entities- Complete a separate column in Section B for each entity to be reviewed for common ownership. Additional forms should be attached if necessary.

Section B-Ownership Information

Questions 1-6 should be answered in their entirety. Please answer all questions relevant to the change being reported. When listing the ownership for each entity in the columns in Section B, remember to do the following:

- 1) List all names of owners and their individual percentage of ownership (each spouse's individual ownership must be listed).
- 2) If it is a partnership, list all general partners' names and their percentage of ownership.
- 3) If it is a corporation, list owners and their percentages of 5% or more of voting stock.
- 4) If an entity is other than a sole proprietor, partnership or corporation, list all members of the governing board of each entity.
- 5) List the total shares of stock issued at the bottom of each column
- 6) The complete legal name of the entity should be shown on the ERM-14 form.
- 7) If the entity is a sole proprietorship or a partnership, list the full name(s) of the proprietor or partners followed by all applicable trade name(s).

Section C-Additional Information

Section C should be completed to reflect any additional information believed to be pertinent to the transaction. Please use this section to provide additional information that cannot be expressed on the form.

Section D-Did You Remember to.....

Section D provides a check list of items needed to ensure the proper completion of the form.

Section E-Certification

The Certification Section certifies that the information contained on the ERM-14 form is complete and correct. The ERM-14 form will be returned if the Certification Section is incomplete.

Section F-For Rating Organization Use Only

Section F is to be completed by the Rating Organization responsible for determining the ownership ruling.