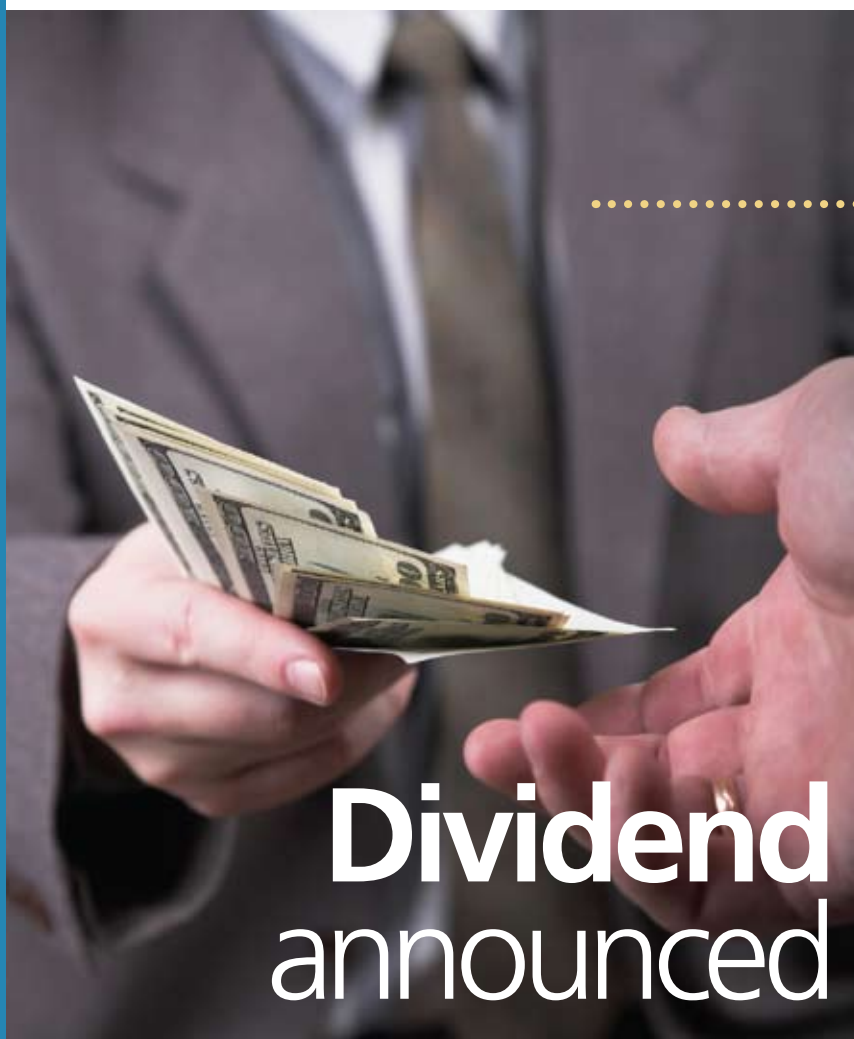


SCF Arizona

A Safety Newsgram for Association and Chamber Executives

Safety Pays



Dividend announced

SCF Arizona's Board of Directors approved a \$10 million safety dividend for 2008 to qualified policyholders of SCF Arizona.

"We are pleased to be able to return \$10 million to Arizona businesses to help our struggling economy," said SCF Board Chair Judith Patrick. "This past year has been a difficult financial one for many, and we believe offering this safety dividend will help provide a boost to our policyholders that qualify."

SCF President & CEO Don Smith noted the safety dividend payout marks 38 straight years the state's largest workers' compensation provider has returned money to policyholders. Safety dividend amounts paid to qualified policyholders are based on annual premium and incurred losses (claims). And while Smith noted that Arizona continues to be a safer place for workers – cutting workplace injury claims in half during the past decade – the cost of treating those injuries continues to increase.

38TH YEAR OF PAYOUTS

Dividend

continued



“Safety dividends are never guaranteed,” Smith added. “The SCF Arizona Board bases its decision on the company’s financial performance for the year and the conditions in the marketplace.

While we are living through a very tough economic time, we are proud that the SCF Arizona Board decided to reward those policyholders that earned a safety dividend

through their efforts to keep their costs down by eliminating workplace injuries.”

With the SCF Arizona Board’s decision to award a dividend, SCF Arizona policyholders that are members of industry associations and organizations taking part in the SCF Arizona Association Safety Program also become eligible for any bonus safety dividend. ●

New chair

Arizona Governor Jan Brewer named **Judith A. Patrick** as the new chair of the SCF Arizona Board of Directors. Patrick becomes the first woman appointed to the post, and the Tucson resident is the first chair from outside the Greater Phoenix Area.

“I am very, very honored that Governor Brewer would ask me,” said Patrick, who has been serving on the SCF Board for more than 17 years. “I was stunned when I got the call.

“SCF Arizona means a great deal to me. It is an exceptional company, and I’m always touched by the show of gratitude and respect that people have for SCF,” Patrick said.

Former Gov. Fife Symington originally appointed Patrick to the SCF Board in 1992. She was reappointed by him and the governors who followed, Jane Hull and Janet Napolitano.



Judith A. Patrick, chairman of the SCF Arizona Board of Directors

Patrick has been involved in public service since 1973, working in various roles in Pima County for 27 years before retiring in 2000. She now is partner in R.G. Patrick Land Planning and Consulting, which provides consulting services in Tucson and Southeast Arizona.

for you

Flexible pricing

SCF Arizona launched three wholly-owned subsidiaries in May making it possible to provide flexible pricing to policyholders based on safety performance.

SCF Western, SCF General, and SCF Casualty insurance companies join SCF Premier Insurance Company, a subsidiary that SCF Arizona established in 2007. The new companies enable SCF Arizona to depart from “one-size-fits-all” pricing, which has been the company’s model since its inception in 1925. Now SCF can determine premium for businesses based on past loss histories. This means safer companies will be priced differently than those with poorer safety records.

“This is another step in our new and more competitive business model and better service for our customers,” said SCF Arizona President and CEO, Don Smith. “We believe this will add value. Our policyholders will receive the same quality service they’ve come to expect, but in a pricing structure that provides incentives and rewards.”

Company officials said policyholders will be drawn to SCF Western, SCF General and SCF Casualty based on the size and safety of the business.

“We now can price our product like any other line of insurance” said Rick Jones, SCF Arizona’s senior vice president, Chief Sales & Business Development. “When you get car insurance, you expect to pay less if you’ve been a safe driver, and now we can provide our customers that same sense of equitable pricing. We think it just makes sense.”

Jones emphasized that policyholders in all SCF’s companies will receive the same levels of service from the same dedicated employees as they do today. “The current SCF personnel who manage claims or provide loss control services will remain the same. The only change is in the pricing structure.”

Safety Works recap

Even though expectations leading into the 2009 Safety Works Expo in Tempe were down because of the economy, the two-day affair was appreciated by attendees and vendors.

More than 170 safety directors, managers, workers and vendors attended the May 5-6 event at the Fiesta Resort Conference Center. Classes were taught by safety professionals, including some of SCF Arizona and SCF Premier Insurance Co. loss control consultants, SCF Arizona attorneys and regional managers.

Phoenix Fire Department Search and Rescue Capt. Shelly Jamison was the featured speaker during the opening general session. Jamison, a former KSAZ (Channel 10) and KOOL (94.5 FM) news reporter, shared stories of the department's responses last summer to Texas and Louisiana after hurricanes Gustav and Ike.

Day two opened with a general session featuring Prof. Bill Badger, the former head of the Del E. Webb School of Construction at Arizona State University. Badger, an

internationally acclaimed construction industry management expert, challenged attendees to create their own fun way to spread the word about safety to their workers.

Twenty-two vendors, including two members of SCF Arizona's Association Safety Program – Arizona Small Business Association and Arizona Business Association – operated booths to show off their products and services.

Prior to opening the annual Safety Works Expo, 37 SCF Arizona and SCF Premier Insurance Co. policyholders were honored at a dinner, May 4, for being named a "Best of the Best" for their safety records in 2008. Eight of the recipients were from SCF Premier and the remaining 29 came from SCF Arizona. All the winners are members of an ASP. ●

COPY THAT

Safety Pays articles are available at www.scfaz.com in pdf format. If you need a Word document for reprinting, simply contact your SCF Arizona association coordinator.



SCF Arizona policyholders now can handle much of their workers' compensation business online.

With SCF's new online services, policyholders can view claims, enter payroll, print certificates of insurance, view account information and make payments, during regular business hours of 6 a.m. to 6 p.m., Monday through Friday. These new resources are part of SCF's commitment to ongoing customer service improvements.

Available information includes:

- Summary of claims and policy information
- Policy effective date
- Policy expiration date
- Total amount paid, remaining and incurred indemnity and medical for all claims associated with the policy number and policy period selected
- Total number of open claims
- Much, much more

SCF's website, www.scfaz.com, has step-by-step instructions to walk you through each process, including how to receive a login and password, call, 602.631.2600. ●



Heating up

Daily triple-digit temperatures are here, which means it's time to acclimate to stay safe and prevent heat-related illnesses.

Staying hydrated is the first and most important step to keep from getting a heat illness. An average worker can lose up to three gallons of sweat during a shift. To offset this loss, the National Institute of Occupational Health and Safety suggests that workers drink five to seven ounces of fluids every 15 to 20 minutes and to avoid drinking caffeinated or alcoholic drinks.

Workers should avoid strenuous activity during the hottest part of the day and protect themselves from the heat.

The Grand Canyon Chapter of the American Red Cross' website cautions: "Slow down. If you must do strenuous activity, do it during the coolest part of the day.

It's important to recognize that heat illnesses can occur despite the best preparation, so knowing the symptoms is essential.

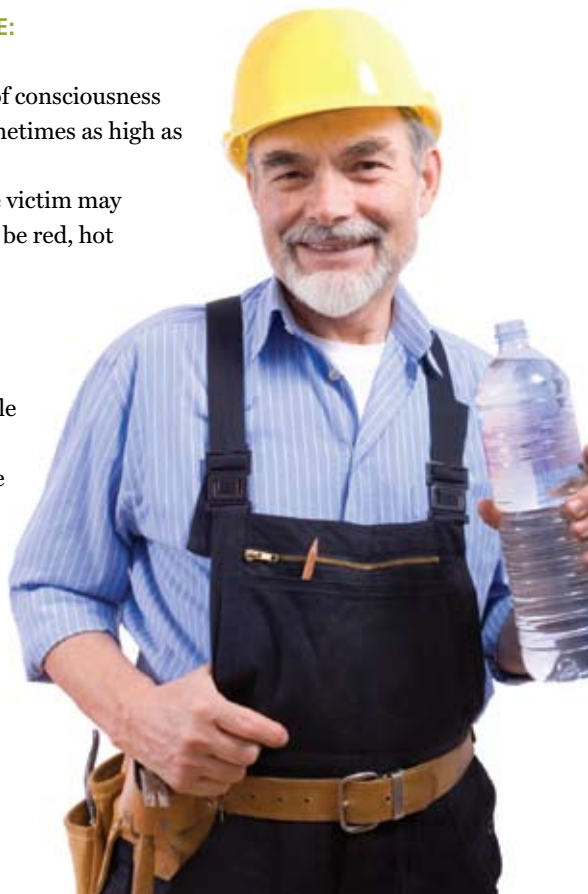
HEAT EXHAUSTION SIGNS INCLUDE:

- Cool, moist, pale skin
- Headache
- Dizziness and weakness or exhaustion
- Nausea

HEAT STROKE SIGNS INCLUDE:

- Vomiting
- Decreased alertness or loss of consciousness
- High body temperature (sometimes as high as 105 F.)
- Continued moist skin, or the victim may stop sweating and the skin may be red, hot and dry
- Rapid, weak pulse
- Rapid, shallow breathing

While it is not always possible to avoid work and strenuous activity in the heat, it is possible to take precautions. Go to http://www.scfaz.com/corporate/corp_safety_dl.php to order SCF Arizona's information regarding heat illnesses and what precautions you can take. ●



Calendar

Watch for these seminars coming to your area. For additional classes and other information, visit www.scfaz.com and click on **Policyholders/Safety & Prevention** or contact SCF Arizona's Risk Management Team at 602.631.2008.

JUNE 24

Respiratory Protection ● Prescott

JULY 8

Scaffold & Ladder Safety ● Prescott

JULY 22

Machine Guarding ● Phoenix

AUG. 12

Ergonomics ● Phoenix

AUG. 13

Forklift Train-the-Trainer ● Prescott

AUG. 27

Driver Safety ● Flagstaff

AUG. 27

Forklift Train-the-Trainer ● Flagstaff

SEPT. 9

Excavation Safety Awareness ● Prescott

SEPT. 23

Excavation Safety Awareness ● Phoenix

SEPT. 30

Accident Investigation ● Prescott

OCT. 8

Bloodborne Pathogens ● Flagstaff

OCT. 8

Hazard Communications ● Flagstaff

OCT. 14

Back Injury Prevention ● Phoenix

OCT. 28

Noise and Hearing Conservation ● Prescott

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