

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM GREENVILLE COUNTY
Court of Common Pleas

Charles B. Simmons, Jr., Special Circuit Court Judge

Case No. 2013-000575

Artemio Alvarez v. Quality HR Services, et.al.
W.C.C. File No.: X030301
William Brockman v. Quality HR Services, et.al.
W.C.C. File No.: X030600
Martha Burke v. Quality HR Services, et.al.
W.C.C. File No.: X030681
Lucille Dwight v. Quality HR Services, et.al.
W.C.C. File No.: 0326238
Robert Hunter v. Quality HR Services, et.al.
W.C.C. File No.: X040142
Tammy Miller v. Quality HR Services, et.al.
W.C.C. File No.: X040301
Patricia Wade-Portee v. Quality HR Services, et.al.
W.C.C. File No.: 0907616
Jessie Pringle v. Quality HR Services, et.al.
W.C.C. File No.: 0327062
Steven Cameron v. Quality HR Services, et.al.
W.C.C. File No.: 0316901
Ruth Harmon v. Spectrum HR, et.al
W.C.C. File No: 040613.....

RECEIVED
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SC Court of Appeals

Respondents,

v.

South Carolina Property and Casualty
Insurance Guaranty Association.....Appellant.

RECORD ON APPEAL
(Appendix)

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P.O. Box 20550
Charleston, SC 29413
Attorney for Appellant South Carolina
Property & Casualty Insurance Guaranty Assoc.

Duke K. McCall, Jr.
300 East McBee Avenue, Suite 500
Greenville, SC 29601
Attorney for Respondent Quality
HR Services

Benjamin M. Renfrow
Wesley J. Shull
872 S. Pleasantburg Drive
Greenville, SC 29607
Attorneys for Respondents Keith's Welding
Services, Inc., Capital City Ins. Co. and ABC
Investments

David H. Keller
105 N. Spring Street, Suite 105
Greenville, SC 29601
Attorney for Respondent
Uninsured Employers' Fund

INDEX OF RECORD ON APPEAL¹

Documents:

(1)	Letter from Realm National Insurance Company to Quality HR Services, Inc. dated December 10, 2002 (SCPCIGA APA #1).....	2025
(2)	Invoices from Quality HR Services Inc. to Keith's Welding Services, Inc. (FS04307-04311).....	2027
(3)	Certificate of Liability Insurance produced by AIM and executed by Bruce Holley (FS04325).....	2032
(2)	Certificate of Counsel.....	2033

¹ This Index of Record on Appeal provides a point of reference for the Supplemental Record on Appeal labeled "Appendix". Please see the Index in Volume I for the documents contained in Volumes I through V of the Record on Appeal.



REALM NATIONAL INSURANCE COMPANY

December 10, 2002

Mr. David Evette
Quality HR Services, Inc.
20 Walnut Lane
Travelers Rest, North Carolina 29690

Re: Unauthorized "Certificates of Liability Insurance" – Realm National Insurance Company

Dear Mr. Evette,

It has recently come to the attention of Realm National Insurance Company ("Realm National") that various "Certificates of Liability Insurance" may have been issued which show your organization or clients of your organization as named insureds under workers compensation coverage purportedly issued by Realm National. A sample copy of such a certificate is attached.

This is to inform you that these certificates were not authorized by Realm National, and do not represent or reflect valid workers compensation insurance. Realm National is in the process of trying to contact each of the entities identified as a "named insured" or certificate holder, in order to inform them that they "should consider the certificate void *ab initio* ("from the beginning") and [that] neither [they] nor anyone else should rely on the certificate as evidence of actual workers compensation insurance." Realm National further has informed the regulatory authorities in each of the states that we believe have been affected.

We believe that your organization and Realm National share a common interest in this unfortunate situation, namely to avoid – or at least try to minimize – disruption to you and your clients. From our perspective (and, we suggest, yours as well), the worst possible outcome here would be for a client or certificate holder to remain ignorant of the fact that the coverage they now believe to be in effect is actually void and will not respond to claims.

For that reason, we are seeking your assistance to help us identify all of the "named insureds" and certificate holders of which you are aware in order that we can ensure that they are notified as promptly as possible. If you have notified your clients and their certificate holders, we would appreciate your informing us of that effort and providing us with copies of any notices sent out. If you have

125 MAIDEN LANE FIFTH FLOOR NEW YORK, NY 10038 PHONE (212) 269-6700 FAX (212)269-6758

plans to do so in the future, we would appreciate the opportunity to work with you to ensure that the notification is as comprehensive and accurate as possible.

We would appreciate it if you would contact either the undersigned (212-269-6700) or, in my absence, the General Counsel of our holding company, Jim Lawless (212-422-0770), to discuss whether and how we can cooperate to rectify this situation in the most efficient and timely manner possible.

Thank you in advance for your anticipated cooperation.

Sincerely,

Mark S. Sioma, CPCU
President

CC: Mr. David Dennett Smith, President,
American Insurance Marketing, Inc

SENDER, COMPLETE THIS SECTION

1. Article Addressed to:
 Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired, so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.

2. Article Number: 7002 2420 0005 7058 7998
 (Transfer from service label)
 PS Form 3811, August 2001

3. Service Type:
 Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.
 Restricted Delivery? (Extra Fee) Yes

4. Article Addressed to:
 Mr. David Evette
 Quality HR Services, Inc
 20 Walnut Lane
 Travelers Rest, NC 29690

5. Delivery Address:
 A. Signature: *[Signature]*
 B. Received by (Printed Name): *[Signature]*
 C. Delivery Date: *12/12/02*
 D. Is delivery address different from Item 1? Yes No
 If YES, enter delivery address below:

Domestic Return Receipt
 12599c-02-04-1540

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.37
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.42

Sent To: Mr. David Evette
 Street Apt. No.: 20 Walnut Lane
 or PO Box No.:
 City, State, Zip+4: Travelers Rest, NC 29690

PS Form 3800, June 2002 See Reverse for Instructions

9592 9502 5000 0142 2002

DEC 10 2002

Quality H.R. Services Inc.

20 Walnut Lane
Travelers Rest, SC 29690

KEITHS WELDING SERVICE, INC.
P.O. BOX 3868
GREENVILLE, SC 29608
BRIAN / KATHY
(864) 895-8191

Invoice Date: 10/23/03
Check Date: 10/23/03
Invoice Format: KW

Invoice 0101055-014
For the Pay Period Ending 10/18/03
Batch Number 061

Gross Wages	7,004.38
FICA	535.84
FUTA	16.35
SUTA	85.96
Workers Comp	843.50
Health/Benefits	
Admin Fee	157.61
Misc	
Sub Total:	----- 8,643.64
Total Invoice:	----- 8,643.64
Previous Balance	2,627.94
Grand Total:	----- 11,271.58

If you have any questions contact: DAVID EVETTE
(864) 834-3985

FS 04307

Quality H.R. Services Inc.

20 Walnut Lane
Travelers Rest, SC 29690

KEITHS WELDING SERVICE, INC.
P.O. BOX 3868
GREENVILLE, SC 29608
BRIAN / KATHY
(864) 895-8191

Invoice Date: 10/23/03
Check Date: 10/23/03
Batch Number: 061

Invoice 0101055-014
For the Pay Period Ending 10/18/03

Employee Name	Regular Hours	OT Hours	Other Hours	Rate	Other Income	Gross Wages	Employer Assessments	Work Comp Benefits	Admin Fee	Misc	Total Cost
CAMERON, STEVEN	28.00			17.50		490.00	65.67	65.91	11.03		632.61
CAPPS, KEVIN	40.00	18.00		17.50		1,172.50	89.70	136.52	26.38		1,425.10
CRAWFORD, WILLIAM	40.00	19.50		17.50		1,211.88	92.71	140.05	27.27		1,471.91
QUINNEY, JOHNNY	40.00	8.00		18.00		936.00	71.60	116.21	21.06		1,144.87
RIOS, JOSE	40.00	18.00		17.50		1,172.50	89.70	136.52	26.38		1,425.10
SMITH, JACK	37.50			16.00		600.00	46.96	80.70	13.50		741.16
SMITH, JACK MARTIN	40.00	19.50		18.00		1,246.50	167.02	144.05	28.05		1,585.62
SMITH, JOSH SCOTT	10.00			17.50		175.00	14.79	23.54	3.94		217.27
Totals	275.50	83.00				7,004.38	638.15	843.50	157.61		8,643.64

FS 04308

KEITHS WELDING SERVICE, INC.

KEITHS WELDING SERVICE, INC.
 P.O. BOX 3868
 GREENVILLE, SC 29608

Check Date : 10/23/03
 Per End Date: 10/18/03
 Batch Number: 061

KEITHS WELDING SERVICE, INC. >>>

Employee	Hours	Amount	Deductions	Taxes
CAMERON, STEVEN	Regular 28.00	490.00		
465-65-0341				FICA - OAS 30.38
KEITHS WELDING SERVICE, IN				Medicare 7.11
Type-Seq C-01 (J)				Federal .00
Check #				South Caro 4.00
Ck Date 10/23/03				
Per Ending 10/18/03				
HkComp SC-3365				
** Net **	448.51	Gross 490.00	Ded .00	Taxes 41.49
CAPPS, KEVIN	Regular 40.00	700.00		
[REDACTED]	Overtime 18.00	472.50		
KEITHS WELDING SERVICE, IN				FICA - OAS 72.70
Type-Seq C-01 (J)				Medicare 17.00
Check #				Federal 58.57
Ck Date 10/23/03				South Caro 45.00
Per Ending 10/18/03				
HkComp SC-3365				
Net **	979.23	Gross 1172.50	Ded .00	Taxes 193.27
CRANFORD, WILLIAM E.	Regular 40.00	700.00	GARNISHMENT 1.00	FICA - OAS 75.14
[REDACTED]	Overtime 15.50	406.88	Wage Garnish 141.75	Medicare 17.57
KEITHS WELDING SERVICE, IN	Overtime 4.00	105.00		Federal 229.32
Type-Seq C-01 (J)				South Caro 79.00
Check #				
Ck Date 10/23/03				
Per Ending 10/18/03				
HkComp SC-3365				
** Net **	668.10	Gross 1211.88	Ded 142.75	Taxes 401.03
QUINNEY, JOHNNY	Regular 40.00	720.00		
[REDACTED]	Overtime 8.00	216.00		
KEITHS WELDING SERVICE, IN				FICA - OAS 58.03
Type-Seq C-01 (J)				Medicare 13.57
Check #				Federal 100.73
Ck Date 10/23/03				South Caro 44.00
Per Ending 10/18/03				
HkComp SC-3365				
** Net **	719.67	Gross 936.00	Ded .00	Taxes 216.33

FS 04309

Quality H.R. Services Inc.

20 Walnut Lane
Travelers Rest, SC 29690

KEITHS WELDING SERVICE, INC.
P.O. BOX 3868
GREENVILLE, SC 29608
BRIAN / KATHY
(864) 895-8191

Invoice Date: 10/30/03
Check Date: 10/30/03
Invoice Format: KW

Invoice 0101055-015
For the Pay Period Ending 10/25/03
Batch Number 062

Gross Wages	7,357.25
FICA	562.81
FUTA	12.93
SUTA	60.92
Workers Comp	896.47
Health/Benefits	
Admin Fee	165.53
Misc	
Sub Total:	----- 9,055.91
Total Invoice:	----- 9,055.91

If you have any questions contact: DAVID EVETTE
(864) 834-3985

FS 04310

KEITHS WELDING SERVICE, INC.

KEITHS WELDING SERVICE, INC.
 P.O. BOX 3868
 GREENVILLE, SC 29608

Check Date : 10/30/03
 Per End Date: 10/25/03
 Batch Number: 062

<< KEITHS WELDING SERVICE, INC. >>>

Employee	Hours	Amount	Deductions	Taxes
CAMERON, STEVEN 465-65-0341 KEITHS WELDING SERVICE, IN Type-Seq C-01 (J) Check # Ck Date 10/30/03 Per Ending 10/25/03 WkComp SC-3365	Regular 12.50	218.75		FICA - OAS 13.56 Medicare 3.17 Federal .00 South Caro .00
** Net **	202.02	Gross 218.75	Ded .00	Taxes 16.73
CAPPS, KEVIN [REDACTED] KEITHS WELDING SERVICE, IN Type-Seq C-01 (J) Check # Ck Date 10/30/03 Per Ending 10/25/03 WkComp SC-3365	Regular 38.00	665.00		FICA - OAS 41.23 Medicare 9.64 Federal .00 South Caro 9.00
* Net **	605.13	Gross 665.00	Ded .00	Taxes 59.87
CRAWFORD, WILLIAM R. [REDACTED] KEITHS WELDING SERVICE, IN Type-Seq C-01 (J) Check # Ck Date 10/30/03 Per Ending 10/25/03 WkComp SC-3365	Regular 40.00 Overtime 19.00	700.00 498.75	GARNISHMENT 1.00 Wage Garnish 141.75	FICA - OAS 74.32 Medicare 17.38 Federal 226.03 South Caro 78.00
** Net **	660.27	Gross 1198.75	Ded 142.75	Taxes 395.73
QUINNEY, JOHNNY [REDACTED] KEITHS WELDING SERVICE, IN Type-Seq C-01 (J) Check # Ck Date 10/30/03 Per Ending 10/25/03 WkComp SC-3365	Regular 40.00 Overtime 14.50	720.00 391.50		FICA - OAS 68.91 Medicare 16.12 Federal 144.61 South Caro 56.00
** Net **	825.86	Gross 1111.50	Ded .00	Taxes 285.64

FS 04311



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/16/2003

PRODUCER

AMERICAN INSURANCE MANAGERS
3101 TOWER CREEK PKY., SUITE 750
ATLANTA, GEORGIA 30339

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE		NAIC#
INSURER A:	Realm National Insurance Company	15466
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

INSURED

KEITHS WELDING SERVICE INC.
C/O QUALITY HR SERVICES, INC.
20 WALNUT LANE
TRAVELERS REST, S.C. 29690

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
				AMOUNT	COINSURANCE
GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR (20% AGGREGATE LIMIT APPLIES PER POLICY)				EACH OCCURRENCE	\$ -
				DAMAGE TO RENTED PREM	\$ -
				MED EXP (Any one person)	\$ -
				PERSONAL & ADV INJURY	\$ -
				GENERAL AGGREGATE	\$ -
				PRODUCTS-COMPONENT ADD	\$ -
AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALLOWED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> Hired AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Both Applied)	\$ -
				BODILY INJURY (B & P)	\$ -
				BODILY INJURY (P & A)	\$ -
				PROPERTY DAMAGE (P & A)	\$ -
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$ -
				OTHER THAN EA ACC	\$ -
				AUTO ONLY AGG	\$ -
UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$ -
				AGGREGATE	\$ -
WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER INCLUDED? <input type="checkbox"/> NO If yes, describe under SPECIAL PROVISIONS below	QHRI4030-SC3	07/13/2003	11/01/2003	<input type="checkbox"/> NO STATE TO RY LIMITS <input checked="" type="checkbox"/> WITH EA	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000
OTHER					

DESCRIPTION OF OPERATIONS / LOCATION(S) / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

ALTERNATIVE EMPLOYER: QUALITY HR SERVICES, INC.

CERTIFICATE HOLDER

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE ISSUER, ITS AGENTS OR REPRESENTATIVES.

[Handwritten Signature]

AM LIABILITY CERT 1-2002

AMERICAN INSURANCE MANAGERS, INC.

ATLANTA, GEORGIA

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

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W.C.C. File No: 040613.....Respondents,


v.

South Carolina Property and Casualty
Insurance Guaranty Association.....Appellant.

CERTIFICATE OF COUNSEL

The undersigned attorney hereby certifies that the Supplemental Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

WOOD LAW GROUP, LLC
P.O. Box 20550
Charleston, SC 29413
(843) 577-5732

By: 

J. Hubert Wood, III/Bar No. 65169
Kathryn F. Walton/Bar No. 75639
Attorneys for Appellant

October 4, 2013

Charleston, South Carolina