

**STATE OF CALIFORNIA  
DEPARTMENT OF INDUSTRIAL RELATIONS  
SELF-INSURANCE PLANS**

In the Matter of the Application of )  
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 )  
 )  
 )  
 )  
Group Self-Insurer. )

AGREEMENT OF ASSUMPTION  
AND GUARANTEE OF WORKERS  
COMPENSATION LIABILITIES  
FOR GROUP MEMBERS

WHEREAS \_\_\_\_\_ (hereinafter called the  
Undersigned Group Self-Insurer), has good and sufficient reason for executing this Agreement; and

WHEREAS, the member employers named in Attachment 1 (hereinafter collectively and individually called "Affiliate Self-Insurer"), is, or has made applicant to be a self-insurer pursuant to Sections 3700 et seq. of the Labor Code of California;

NOW THEREFORE, It is understood and agreed that:

- I. In consideration of the Director of Industrial Relations of the State of California issuing an Affiliate Certificate of Consent to Self-insure to said Affiliate Self-Insurer, the Undersigned Group Self-Insurer agrees to assume and guarantee to pay, or otherwise discharge promptly, all the liabilities and obligations which said Affiliate Self-Insurer may incur as a self-insurer of its California workers' compensation liabilities.
2. This Agreement shall cover and extend to all potential liability of workers' compensation benefits as required by law of said Affiliate Self-Insurer; as a self insurer of its California workers' compensation liabilities arising on or after the effective date hereof as a member of the Undersigned Group Self-Insurer.
3. This Agreement shall not cover or extend to *any workers' compensation liabilities* of said Affiliate Self-Insurer which are expressly insured by a carrier duly authorized to write California workers' compensation insurance.
4. This Agreement shall remain in full force and effect unless terminated in the manner hereinafter provided.

5. This Agreement may be terminated at any time by the Undersigned Group Self-Insurer upon giving thirty (30) days written notice by overnight courier, registered or certified mail to the Manager, Self-Insurance Plans. In this event the liability of the Undersigned Group Self-Insurer shall, at the expiration of thirty (30) days from receipt of said written notice by said Manager, cease and determine, except as to such liability of the Affiliate Self-Insurer on account of any injury suffered by any of its employees prior to the expiration of said thirty (30) days; it being expressly understood and agreed that the Undersigned Group Self-Insurer all existing and potential liability of said Affiliate Self-Insurer as a self-insurer as of the date of said termination.

6. A change in the proprietorship or the sale of said Affiliate Self-Insurer does not terminate this Agreement

7. In the event said Affiliate Self-Insurer shall fail to pay compensation, as compensation is defined in Section 3207, Labor Code of California, when due, the Undersigned Group Self-Insurer will pay the same, and the payment may be enforced against the Undersigned Group Self-Insurer to the same extent as if said payment was the liability of it.

8. The Undersigned Group Self-Insurer is held and firmly bound for the payment of all legal costs incurred by the State of California in any actions taken to enforce this Agreement.

9. If the Undersigned Group Self-Insurer has not filed with the California Secretary of State to the extent required to entitle it to transact intrastate business in California, it hereby agrees to submit itself to the jurisdiction of the Department of Industrial Relations, the Division of Workers' Compensation and the California courts for the purpose of enforcing the liabilities and obligations arising from this Agreement.

10. If the Undersigned Group Self-Insurer has not filed with the California Secretary of State to the extent required to entitle it to transact intrastate business in California, it hereby agrees that service of process may be affected on the Undersigned Group Self-Insurer by sending notice to \_\_\_\_\_

\_\_\_\_\_

by overnight courier, registered mail or certified mail. Pursuant to California Code of Civil Procedure Section 415.40, service of notice by this form of mail will be deemed complete on the tenth day after such mailing.

II. This Agreement shall be binding upon the Undersigned Group Self-Insurer, its successor, and assigns.

12. Attachment I lists the member self-insurers of the Undersigned Group Self-Insurer.

SUBSCRIBED AND SEALED at \_\_\_\_\_

This \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

Attest:

\_\_\_\_\_  
Name of Group Self-Insurer

Corporate Seal

\_\_\_\_\_  
Signature of Authorized Officer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Secretary