

**State of California
Department of Industrial Relations
Self-Insurance Plans**

In the Matter of the Certificate of)
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A Group Self-Insurer,)
_____)

**INDEMNITY AGREEMENT AND
POWER OF ATTORNEY**

WHEREAS, _____
hereafter referred to as the "Group Member", is making or has made application to the Director of Industrial Relations for an Affiliate Certificate of Consent to Self-Insure pursuant to Labor Code Section 3700 through 3705 of the Labor Code of California as a member self-insurer of a group of employers; and

WHEREAS, a group of employers have organized and formed a non-profit mutual benefit corporation known as _____

hereafter referred to as the "Group Self-Insurer", for the sole purpose of being a workers' compensation group self-insurer pursuant to Labor Code Section 3700 of the Labor Code of California; and

WHEREAS, the aforementioned Group Self-Insurer is making or has made application to the Director of Industrial Relations for a Certificate of Consent to Self-Insure pursuant to Sections 3700 through 3705 of the Labor Code of California as a group self-insurer for a group of employers; and

WHEREAS, the Group Members of said Group Self-Insurer have designated a Board of Trustees consisting of _____ members
or _____

to direct the affairs of said Group Self-Insurer and to select or terminate membership in the Group Self-Insurer, subject to the approval of the Director of Industrial Relations as set forth in Sections 3700 through 3705 of the Labor Code of California;

WHEREAS, the Group Members and the Group Self-Insurer understand and agree that the issuance of a Certificate of Consent to Self-Insure to the Group Self-Insurer and the issuance of an Affiliate Certificate of Consent to Self-Insure to each Group Member is subject to the following conditions, to wit:

I. The Group Self-Insurer and each of its Group Members are jointly and severally liable for paying and securing liabilities of the Group Self-Insurer and its Group Members for the payment of any and all compensation liability required by Labor Code Sections 3700 through 3705 of any and all employees of any Group Member of the Group Self-Insurer and/or of the Group Self-Insurer, itself, provided the compensation liability results from an occurrence with a date of injury during the period of membership in said Group Self-Insurer; and

II. The Group Self-Insurer shall have authority to enforce this Indemnity Agreement against each and every one of its Group Members or former Group Members. In the event of a failure of the Group Self-Insurer to enforce the rights of indemnity as set forth herein, and after reasonable notice to the Group Self-Insurer or any Group Member or former Group Member by the Director, or his/her duly appointed agents, the Director of Industrial Relations shall have the independent right to enforce the terms of this Indemnity Agreement against any and all of the Group Members or former Group Members for the payment of all compensation liabilities, and all liabilities of the Group members for any delinquent contribution and/or assessments; and

III. The Board of Trustees of the Group Self-Insurer shall designate and appoint a Group Administrator empowered to accept service of process on behalf of the Group Self-Insurer itself and for any of its Group Members or former Group Members. Said Group Administrator shall be authorized to act on behalf of the Group Self-Insurer and its Group Members in all transactions relating to or arising out of the operation of the Group Self-Insurer. Said Group Administrator shall have responsibility and authority for the maintenance of an effective injury and illness prevention program for the Group Self-Insurer and all Group members, the posting of security deposit to secure all liabilities of the Group Self-Insurer, the employment of legal counsel, accountants, actuaries, claims administration services, and any other services deemed necessary. Said Group Administrator shall also have the authority to contract for specific excess and/or aggregate excess insurance coverage for the Group Self-Insurer and all Group Members. The Group Administrator shall have the authority to bind the Group Self-Insurer and all Group Members jointly and severally; and

IV. Any change in the identity of the Group Administrator shall be immediately communicated to the Manager of the Office of Self-Insurance Plans. In the absence of a duly appointed Group Administrator, any Trustee of the Board of Trustees of the Group Self-Insurer shall be authorized to accept service of process on behalf of the Group Self-Insurer, itself, and of all Group Members; and

V. In the event that the duly appointed Group Administrator and/or the Board of Trustees of said Group Self-Insurer fails to maintain the financial solvency of the Group Self-Insurer, or defaults on the payment of compensation liabilities due from the Group Self-Insurer, or fails to post the required security deposit to secure the compensation liabilities of the Group Self-Insurer, the Director of Industrial Relations shall have the authority to appoint a Conservator to act in place of the Group Administrator; and

VI. The Group Administrator shall act as the true and lawful attorney-in-fact for the use and benefit of the Group Self-Insurer and its Group members and shall have the power to:

Ask, demand, sue for, recover, collect and receive all such sum of money due, debts, interest, dividends, and any demands whatsoever as are or shall hereafter become due, owing, payable to the Group Self-Insurer and its Group Members, and shall have the use and take lawful ways and means in the name of the Group Self-Insurer and its Group Members for recovery thereof, and to compromise and agree for the sane and other sufficient discharges for the Giving and Granting unto said Group Administrator attorney-in-fact full power and authority to do and perform every act necessary, requisite or proper to be done as a Group Self-Insurer and/or its Group members could lawfully do, with full power of substitution and revocation, hereby ratifying and confirming all that the Group Administrator attorney-if-fact shall lawfully do or cause to be done by virtue hereof.

Executed at _____ - this _____ day of _____, 19 ____

by

Signature *: _____

Typed Name & Title: _____

Company Name: _____

(*Notarize Signature)