



APPLICATION FOR A CERTIFICATE OF CONSENT TO SELF INSURE BY A GROUP OF EMPLOYERS

Read instructions before completing.
All questions must be answered. If not applicable, enter "N/A".
Workers' compensation insurance must be maintained until certificate is effective.

To the Director of Industrial Relations:

The undersigned private group of employers hereby applies to a Certificate of Consent to Self Insure for itself and an Affiliate Certificate of Consent to Self Insure for each group member for the payment of workers' compensation as provided by California Labor Code Section 3700.

The following information is submitted, under penalty of perjury, for the purpose of procuring a Certificate of Consent to Self Insure, which may be given upon proof, satisfactory of the Director of Industrial Relations, of ability to self insure and to pay compensation that may become due to employees.

GENERAL INFORMATION ON GROUP APPLICANT

1. GROUP APPLICANT:

Name of Applicant Group: _____

Street Address of Main Headquarters: _____

City: _____ State: _____ Zip + 4: _____

Federal Tax Identification Number of Group: _____

State of Incorporation _____ Date of Incorporation _____
Month Day Year

Group Self Insurer must be a California corporation as required by California Code of Regulations, Title 8, Section 15470.

2. TO WHOM DO YOU WANT CORRESPONDENCE REGARDING THIS APPLICATION ADDRESSED?

Name: _____ Title: _____

Company Name: _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Email: _____

3. (a) Does the Group Applicant named in Question 1 presently have an active Certificate of Consent to Self Insure issued by the Director of Industrial Relations to self insure workers' compensation liabilities in California?

Yes No If yes, enter Certificate Number: _____

(b) Is this group applicant named in Question 1 applying for self insurance in California for the first time?

Yes No

4. Is this application being submitted by the group applicant named in Question 1 because of any of the following:

- Reincorporation Yes No
- Merger Yes No
- Change in Identity Yes No
- Majority Change in Ownership Yes No
- New member additions to the Group Yes No

If yes, submit a copy of legal documents regarding reincorporation, merger, change in identity or sale with this application and explain below:

(Continue on additional page if necessary.)

5. (a) What is the nature of the business of the members of the applicant group named in Question 1?

(b) What is the primary 4-digit North American Industry Classification System Code (NAICS Code, predecessor to SIC Code) for the members of the applicant group named in Question 1?

NAICS Code: _____

6. What is the date of commencement of your Group Self Insurance Program in California?

Upon Approval by Director Other Date: _____

7. (a) Number of California employees to be covered by the proposed group self insurance plan:

(b) Will the number of California employees covered under the proposed group self insurance plan be materially increased or decreased in the next 12 months?

Yes No

If yes, Increased or Decreased, by how many? _____

8. Attach an original Certificate of Good Standing from the California Secretary of State for the applicant group named in Question 1.

(Attach original Certificate of Good Standing dated not older than three months from the date of the submission of this application.)

NOTE: Certificates of Good Standing are available upon request and payment of a fee from:

- California Secretary of State
1. Corporate Filing and Services Section
1500 11th Street
Sacramento, CA 95814
(916) 653-2318
 2. Limited Partnerships Section: (916) 653-3365
 3. Limited Liability Companies: (916) 653-3795

9. (a) List Full Legal Name, check appropriate Business Status (*i.e.* Corporation, Partnership, Sole Proprietorship, Limited Liability Corporation or Limited Liability Partnership) and enter Federal Tax Identification Number of ALL proposed member employers of this applicant group below (do not list DBAs or names of operating divisions):

Full Legal Name of Member	Business Status *	Federal Tax ID No.
1. _____	<input type="text"/>	_____
2. _____	<input type="text"/>	_____
3. _____	<input type="text"/>	_____
4. _____	<input type="text"/>	_____
5. _____	<input type="text"/>	_____
6. _____	<input type="text"/>	_____
7. _____	<input type="text"/>	_____
8. _____	<input type="text"/>	_____
9. _____	<input type="text"/>	_____
10. _____	<input type="text"/>	_____
11. _____	<input type="text"/>	_____
12. _____	<input type="text"/>	_____
13. _____	<input type="text"/>	_____
14. _____	<input type="text"/>	_____
15. _____	<input type="text"/>	_____
16. _____	<input type="text"/>	_____
17. _____	<input type="text"/>	_____
18. _____	<input type="text"/>	_____
19. _____	<input type="text"/>	_____
20. _____	<input type="text"/>	_____
21. _____	<input type="text"/>	_____
22. _____	<input type="text"/>	_____
23. _____	<input type="text"/>	_____
24. _____	<input type="text"/>	_____
25. _____	<input type="text"/>	_____

* Corp = Corporation-Part = Partnership-SPro = Sole Proprietorship-LLC = Limited Liability Corporation-LLP = Limited Liability Partnership

Full Legal Name of Member

Business Status *

Federal Tax ID No.

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* Corp = Corporation-Part = Partnership-SPro = Sole Proprietorship-LLC = Limited Liability Corporation-LLP = Limited Liability Partnership

Full Legal Name of Member

Business Status *

Federal Tax ID No.

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* Corp = Corporation-Part = Partnership-SPro = Sole Proprietorship-LLC = Limited Liability Corporation-LLP = Limited Liability Partnership

CONSOLIDATED FINANCIAL INFORMATION ON APPLICANT GROUP

11. Provide the following consolidated financial information for all members of the applicant group:

	Current _____ Or Quarters _____	1st Full Year _____	2nd Full Year _____	3rd Full Year _____
BALANCE SHEET ITEMS:				
Liquid Assets				
Inventory				
Other Current Assets				
Total Assets				
Fixed Assets (Net)				
Other Assets				
Total Assets				
Current Liabilities				
Long-term Debt				
Other Liabilities				
Total Liabilities				
Contributed Capital				
Retained Earnings				
Shareholders' Equity				
MISCELLANEOUS:				
Working Capital				
Gross Revenue				
Net Income				
(Before Fixed Charges*)				
Net Profit				

*Fixed Charges = Taxes/Interest and Rental Charges

NOTE: Attach your published, independently prepared, audited financial report plus all notes and schedules for the past 3 full years, and quarterly financial reports for current year up through the most recent quarter.

WORKERS' COMPENSATION EXPERIENCE IN CALIFORNIA

12. (a) Complete the following consolidation of all members of the group applicant's (named in Question 1) workers' compensation liabilities in California under the members' various workers' compensation insurance policies for the most recent three full calendar years:

Year	Payroll	Premium Before Dividend	Experience Modification	Losses Incurred	Loss Ratio

(b) Are any of the group members currently NOT covered by a workers' compensation policy?

Yes No

If yes, how many members? _____ Identify each below:

13. Will a policy covering any of the group applicant's members' California workers' compensation liability, other than excess, be carried?

Yes No

If yes, what will be the nature and scope of this coverage?

SECURITY DEPOSIT

14. (a) If the group application is approved, the security deposit will be in the form of a:

- Surety Bond
- Letter of Credit
- Approved Securities
- Cash
- Combination of above:
- Check here if you wish information to be sent to you on the deposit selected in Question 14 (a) or you can download this information from our website at <http://sip.dir.ca.gov>

EMPLOYEE INJURY AND ILLNESS PREVENTION PROGRAM

15. (a) Name of individual responsible for injury and illness prevention program for group applicant (named in Question 1):

Name: _____ Title: _____

Company Name: _____

Mail Address: _____

City: _____ State: _____ Zip: _____

(b) What percentage of this individual's time is spent in this capacity with the group applicant? _____

If more than one individual is responsible for injury and illness prevention, attach a list to this application, giving the information requested in Items (a) and (b) above.

(c) Name of independent licensed California engineer, certified safety professional, or certified industrial hygienist who will be preparing the injury and illness prevention program evaluation of the group applicant and preparing the written evaluation report on the members' facilities in this group applicant:

Name: _____ Title: _____

Company Name: _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

Copy of Safety and Health Evaluation Report is attached.

Date of Report: _____

Evaluation and Report have been requested, and will be forwarded upon completion.

(Attach Injury and Illness Prevention Program Evaluation Report here.)

NOTE: The member employer must abate all serious violations found at their facilities in the evaluation report. Such abatement must be verified by the person conducting the evaluation.

PROPOSED CLAIMS ADMINISTRATION OF GROUP SELF INSURANCE PROGRAM

16. (a) Name of proposed administrator(s)/administrating agency(ies) who will be responsible for day-to-day administration of the workers' compensation self insurance program for applicant employer and preparation of the workers' compensation self insurance program for applicant employer and preparation of the self insurers' annual reports:

Name (Person): _____ Title: _____

Company : _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Administrative Agency's Certificate To Administer No.

Or Admitted Workers' Compensation Insurance Carrier Claim Department

16. (b) Has the individual administrator named above in Question 16 (a) demonstrated competence by passing the Self Insurance Administrator's Test?

Yes No If yes, date: _____

If no, name of competent person who will do claims and who has passed the Self Insurance Administrator's Test:

_____ and date passed test: _____

17. Will ALL applicant group workers' compensation claims be administered at the ONE adjusting location named in Question 16 (a)?

Yes No If no, complete the following information for each proposed adjusting location:

(a) Name (Person): _____ Title: _____

Company : _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Administrative Agency's Certificate To Administer No.

Or Admitted Workers' Compensation Insurance Carrier Claim Department

(b) Name (Person): _____ Title: _____

Company : _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Administrative Agency's Certificate To Administer No.

Or Admitted Workers' Compensation Insurance Carrier Claim Department

(c) Name (Person): _____ Title: _____

Company : _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Administrative Agency's Certificate To Administer No.

Or Admitted Workers' Compensation Insurance Carrier Claim Department

(d) Name (Person): _____ Title: _____

Company : _____

Mail Address: _____

City: _____ State: _____ Zip: _____

Administrative Agency's Certificate To Administer No.

Or Admitted Workers' Compensation Insurance Carrier Claim Department

(Add additional pages if needed to list all location information.)

GROUP FILING FEES

Attach your check here for payment of filing fees.

Make your check payable to: Department of Industrial Relations-Office of Self Insurance Plans.

Filing Fee: Each group of employers making application for a Certificate shall, at the time of filing such application, pay a non-refundable filing fee on the following basis:

(1) A filing fee to accompany a new group self insurer application shall be \$1,000 for the group application and an additional \$500 for each group member application submitted with the group self insurer's application;

(2) For each additional group member's application, the filing fee shall be \$500 if no Interim Certificate has previously been issued to the applicant or \$400 if an Interim Certificate has been issued and is in effect at the time the application is submitted;

(3) For each Request for an Interim Certificate submitted pursuant to Section 15482.2 of these regulations, the filing fee shall be \$100.

AGREEMENT TO ABIDE BY SELF INSURANCE REGULATIONS

This application is filed with the understanding and the agreement of the applicant herein that a Certificate of Consent to Self Insure, if granted, will be accepted subject to the authority of the Director of Industrial Relations to prescribe the regulations upon which said Certificate of Consent to Self Insure shall be granted or continued and subject to the full right and authority of the said Director of Industrial Relations to prescribe new and additional regulations. It is further agreed that, following revocation or invalidation of said certificate, the applicant will pay fees and expenses as provided in the regulations.

I, _____ , _____
(insert person's name) (insert title of person)

certify under penalty of perjury, that I am acquainted with the affairs of said applicant employer to which the representations and statements set forth in the foregoing application, attachments, exhibits and addenda relate; that I have read said application, attachments, exhibits and addenda, know the contents thereof and that said representations and statements therein contained are true to the best of my knowledge, information, and belief.

Subscribed and sealed at _____ , _____
(City) (State)

this _____ day of _____ , 20 _____ .

SEAL

Signature

Title

Attest:

Signature of Secretary

(Typed Name and Title of Secretary)

RESOLUTIONS AND AGREEMENTS

Each group applicant must adopt and execute-as part of the application-two Board of Directors Resolutions and several agreements, which are outlined below:

1. RESOLUTION BY APPLICANT GROUP TO BECOME SELF INSURED

The first Resolution is a resolution to become self insured for workers' compensation liabilities. The resolution is adopted by the Board of Directors of the group applicant corporation named in Question 1. The group applicant will need to identify several positions in the resolution by position title that are authorized to sign the application and other Self Insurance documents and agreements on behalf of the group applicant. This includes the Resolution to become self insured. Position titles might include Chairman of the Board of Directors, Member of Board of Directors, President, any Vice President, Secretary, Treasurer, Risk Manager. DO NOT USE the names of the current incumbents to the positions.

The resolution must have an original "wet" signature of the authorized person and the "wet" signature of the Corporate Secretary. You will need to emboss the corporate seal on the resolution.

2. RESOLUTION OF GROUP ASSUMPTION AND GUARANTEE OF MEMBER LIABILITIES

The second Resolution is a resolution by the applicant group to assume and guarantee the workers' compensation liabilities of each group member granted an Affiliate Certificate of Consent to Self Insure by the Director of Industrial Relations as part of the applicant group. The resolution is adopted by the Board of Directors of the group applicant corporation named in Question 1. The group applicant will need to identify several positions in the resolution by position title that are authorized to sign the Agreement of Assumption and Guarantee for the members as well as to sign the corporate resolution on behalf of the group applicant. Position titles might include Chairman of the Board of Directors, Member of Board of Directors, President, any Vice President, Secretary, Treasurer, Risk Manager. DO NOT USE the names of the current incumbents to the positions.

The resolution must have an original "wet" signature of the authorized person and the "wet" signature of the Corporate Secretary. You will need to emboss the corporate seal on the resolution.

Future additions to the group will be added by addendum to the initial Resolution or by execution of a new Resolution.

3. AGREEMENT OF ASSUMPTION AND GUARANTEE FOR GROUP MEMBERS

Having adopted the enabling Assumption and Guarantee Resolution (see item 2 above), the group applicant must also execute the actual Agreement of Assumption and Guarantee of Workers' Compensation Liabilities (Form A4-3G) for the initial group members. A single Agreement of Assumption is executed that includes an Attachment listing each initial member of the group. Future additions to the group will be added by a new Assumption Agreement Form listing the new member(s).

4. AGREEMENT AND UNDERTAKING FOR SECURITY DEPOSIT BY GROUP

The third agreement to be signed is an agreement that the Applicant Group will post a security deposit to secure its group workers' compensation self insurance program and that the State may use the deposit and any interest earned to pay compensation due if the group defaults.

This agreement must also be executed by one of the persons identified in the Group Corporate Resolution by position title that is authorized to sign documents on behalf of the Applicant Group. Like the resolution, the agreement must have an original "wet" signature of the authorized person and of the Corporate Secretary. You will need to emboss the corporate seal in the box as indicated on the agreement page.

5. AGREEMENT AND RESOLUTION OF JOINT AND SEVERAL LIABILITY

Each initial MEMBER of the group applicant and all future additions to the group shall execute an Agreement of Joint and Several Liability for any and all workers' compensation liabilities of the applicant group. This is part of the Member portion of the Group Application. If the member is a corporation, it must also execute a Resolution of Joint and Several Liability by its Board of Directors. Partnerships (non-corporate) and individual proprietorships need only execute the Agreement of Joint and Several Liability.

THE TWO GROUP RESOLUTIONS AND THE THREE GROUP AGREEMENTS FOLLOW IN THE ORDER LISTED ABOVE. COMPLETE EACH ONE AND SUBMIT WITH THE GROUP APPLICATION.

GROUP RESOLUTION AUTHORIZING APPLICATION TO
THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA
FOR A CERTIFICATE OF CONSENT TO SELF INSURE WORKERS' COMPENSATION LIABILITIES

At a meeting of the Board of Trustees of _____ ,

(enter name of applicant's group corporation)

a corporation organized and existing under the laws of the State of _____ ,

held on the _____ day of _____, 20 _____ ,

a quorum being present, the following Resolution was adopted:

RESOLVED that the _____

(enter titles of authorized corporate officers)

be and they are hereby severally authorized and empowered to make application for a Certificate of Consent to Self Insure to the Department of Industrial Relations of the State of California, and to execute any and all documents required for such application, including the Agreement and Undertaking for Security Deposit, and Agreement to Abide by Self Insurance Regulations.

I, _____ , the undersigned

Secretary of said _____ , a corporation,

hereby certify that I am the Secretary of said corporation, that the foregoing is a full, true and correct copy of the resolution duly passed by the Board of Trustees thereof at a meeting of said Board held on the day and at the place therein specified, and that said resolution has never been revoked, rescinded, or set aside, and is now in full force and effect.

IN WITNESS WHEREOF: I HAVE HEREUNTO SET MY HAND AND THE CORPORATE SEAL OF

SAID CORPORATION THIS _____ day of _____, 20 _____ .

(SEAL)

Secretary

RESOLUTION OF AGREEMENT OF ASSUMPTION AND GUARANTEE
OF WORKERS' COMPENSATION LIABILITIES FOR A GROUP SELF INSURER

At a meeting of the Board of Trustees of _____

(name of group self insurer)

a corporation organized and existing under the laws of the State of _____

held on the _____ day of _____ 20 _____

a quorum being present, the following Resolution was adopted:

RESOLVED that _____

(name of group self insurer)

organized under the laws of the State of _____

authorizes that

(list legal name & state of incorporation of group self insurer)

seeks a Certificate of Consent to Self Insure workers' compensation liabilities in the State of California; and,

BE IT FURTHER RESOLVED that _____

(name of group self insurer)

will guarantee the payment of all workers' compensation liabilities incurred by any member of said group issued an Affiliate Certificate of Consent to Self Insure workers' compensation liabilities in the State of California or resulting from operations of such members of said group self insurer in California as a permissibly self insured; and

BE IT FURTHER RESOLVED that the Chairman of the Board of Trustees, (Board Member, or Group Administrator) of

(name of group self insurer)

are severally authorized to sign the State of California form entitled Agreement of Assumption and Guarantee of Workers' Compensation Liabilities on behalf of the members of the group self insurer and be bound by all terms and conditions therein, including, but not limited to, terms specifying assumption of all member liability; and

BE IT FURTHER RESOLVED that

_____ (name of group self insurer)

will guarantee the payment of all workers' compensation liabilities incurred by any additional member of said group, not named in the initial Agreement of Assumption and Guarantee of workers' compensation liabilities, that in the future should be granted an Affiliate Certificate of Consent to Self Insure workers' compensation liabilities as part of said group self insurer in the State of California, and the Secretary of

_____ (name of group self insurer)

is authorized to add the additional members' name as an attachment to this resolution and said Secretary shall re-execute the resolution with said attachment and provide it to the Department of Industrial Relations (or its successor).

I, _____, the undersigned

Secretary of the

_____ (name of group self insurer)

hereby certify that I am the Secretary of said corporation, that the foregoing is a full, true and correct copy of the resolution duly passed by the Board of Directors thereof at a meeting of said Board held on the day and at the place therein specified, and that said resolution has never been revoked, rescinded, or set aside, and is now in full force and effect.

IN WITNESS WHEREOF: I HAVE HEREUNTO SET MY HAND AND THE CORPORATE SEAL OF

SAID CORPORATION THIS _____ day of _____, 20_____.

(SEAL)

Secretary

NOTE: The officers authorized by job title in this resolution are examples. The Board of the holding corporation can choose any officer by designated job title to act on its behalf with respect to the Self Insurance Plans' program of the members.



State of California
Department of Industrial Relations
OFFICE OF SELF INSURANCE PLANS

In the Matter of the Application of
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 application 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:

1. 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 Chief, Office of 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 Chief, 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 shall be liable for default of said Affiliate Self Insurer in fully discharging 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 effected 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.

11. This Agreement shall be binding upon the Undersigned Group Self Insurer, its successors, and assigns.

12. Attachment 1 lists the member self insurers of the Undersigned Group Self Insurer.

Subscribed and sealed at _____

this _____ day of _____, 20_____.

Attest:

Corporate Seal

Name of Group Self Insurer

Signature of Authorized Officer

Secretary

Title



State of California
Department of Industrial Relations
OFFICE OF SELF INSURANCE PLANS

In the Matter of the Certificate of
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 California Labor Code Sections 3700 through 3705 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 California Labor Code Section 3700; 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 California Labor Code Sections 3700 through 3705 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 California Labor Code Sections 3700 through 3705; and

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 Chief 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 sums 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 same 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-in-fact shall lawfully do or cause to be done by virtue hereof.

Executed at _____,

this _____ day of _____, 20_____

by

* Signature: _____

Typed Name & Title: _____

Company Name: _____

(*notarize signature)



In the Matter of the Application of

Group Self Insurer, for a Certificate of Consent to Self Insure

AGREEMENT AND
UNDERTAKING FOR
SECURITY DEPOSIT

The undersigned employer, if it elects to self insure in accordance with the provisions of Sections 3700-3705 of the Labor Code of California, and having made application for or received from the Director of Industrial Relations of the State of California a Certificate of Consent to Self Insure, upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self insure and to compensate any or all of its affiliate self insurers' employees for injury or disability, and their dependents for death incurred or sustained by said employees, pursuant to the terms, provisions and limitations of said Labor Code, does hereby undertake and agree, as a condition to issuance of such Certificate of Consent to Self Insure and in consideration of the issuance thereof by the Director of Industrial Relations, as follows:

1. The Group Self Insurer will make a security deposit with the State of California, to secure incurred liability for the payment of compensation as provided in said Labor Code such security deposit as may, by the order of the Director of Industrial Relations, be required to be filed.

2. Said security deposit shall be held by the State of California to the order of said Director of Industrial Relations, in trust, with power to the said Director to collect or order the collection of the principal or the interest, or both, as the same becomes or become due; to sell or order the sale of such security deposit any security deposit substituted therefor, or such part thereof, or both, to the payment of any and for which application of the proceeds or the interest, or both, to the payment of any compensation for which said Group Self Insurer may become liable under said Labor Code, in the payment of which said Group Self Insurer or any Affiliate Self Insurer may be in default. The interest upon security deposit posted hereunder shall be remitted to the employer in the payment of any compensation from which said employer may become liable under said Labor Code.

Signed at _____

this _____ day of _____, 20 _____

Attest:

Seal

Signature

Title

Secretary

By _____
Title

ATTACHMENT 1
to the Agreement of Assumption and Guarantee of Workers' Compensation Liabilities for Group Members
for

(Name of Group)

The member employers of the above named group are:

	Legal Name	Federal Tax ID Number
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____
11.	_____	_____
12.	_____	_____
13.	_____	_____
14.	_____	_____
15.	_____	_____
16.	_____	_____
17.	_____	_____
18.	_____	_____
19.	_____	_____
20.	_____	_____
21.	_____	_____
22.	_____	_____
23.	_____	_____

ATTACHMENT 1
(Continued)

(Name of Group)

The member employers of the above named group are:

	Legal Name	Federal Tax ID Number
24.	_____	_____
25.	_____	_____
26.	_____	_____
27.	_____	_____
28.	_____	_____
29.	_____	_____
30.	_____	_____
31.	_____	_____
32.	_____	_____
33.	_____	_____
34.	_____	_____
35.	_____	_____
36.	_____	_____
37.	_____	_____
38.	_____	_____
39.	_____	_____
40.	_____	_____
41.	_____	_____
42.	_____	_____
43.	_____	_____
44.	_____	_____
45.	_____	_____
46.	_____	_____

(Name of Group Self Insurer)

BY-LAWS

ARTICLE I. NAME AND LOCATION

Section 1. The name of this non-profit, mutual benefit corporation shall be

hereinafter referred to as the "Group."

Section 2. The Group shall locate and maintain its principal office at the following address in the State of California:

Street Address _____

City _____ CA Zip + _____

Section 3. Other offices for the transaction of Group business may be located in the State of California at such places as the Board of Trustees, hereinafter referred to as the "Board," may from time to time determine.

Section 4. These By-laws are adopted pursuant to and in compliance with the laws of the State of California and with and in compliance with the Labor Code statutes and the administrative regulations relating to workers' compensation and self insurance adopted by the Department of Industrial Relations, hereinafter referred to as the "Department."

ARTICLE II. ELIGIBILITY

Section 1. Participants of the Group, hereinafter referred to as "Group Members," must be an employer with a primary, 2-digit North American Industry Classification System Code.

Section 2. The Board may grant the Group Administrator the authority to recruit new Group Members, pending the approval of the Board, upon such terms and conditions as the Board may from time to time determine and subject to the approval and issuance of an Affiliate Certificate of Consent to Self Insure by the Department.

ARTICLE III. BOARD OF TRUSTEES

Section 1. The business and property of the Group shall be supervised by a Board of Trustees. The initial Board of no less than three (3) Trustees shall be appointed to temporarily serve as the Group's Board during the period of its organization by (check appropriate one):

- The Board of Directors of the sponsoring employer trade association named in Article II, Section 1; OR
- Designated or elected from ranks of the officers of the initial employers organizing the Group.

A permanent Board shall be elected by the initial group members prior to making formal application to the Department for a Certificate of Consent to Self Insure as a Group Self Insurer. The Board shall be elected each year thereafter at an annual meeting of the Group. Except as herein or by law or otherwise required, the Trustees shall act by majority vote of the trustees present at a meeting at which a quorum is present. Each Trustee shall have one vote and no trustee may vote by proxy.

The Board of Trustees shall:

- a. Supervise the administration of the Group;
- b. Employ and oversee an independent Group Administrator, who shall be responsible for claims administration, injury and illness prevention programs, general administration and attorney-in-fact;
- c. Employ legal counsel, accountants, actuaries, claims administration service agency, and other such professional services, as the Board from time to time deem necessary;
- d. Contract for specific excess and aggregate excess coverage as may be required by the Department or desired;
- e. Set requirements for the admission of group members in keeping with the regulatory requirements of the Department, and may include precautions that the Board from time to time shall deem appropriate to promote the safe and proper operation, financial stability, and injury and illness prevention within the Group;
- f. Endeavor to see the Group is financially and prudently administered to insure its financial stability and ability to pay all member claims and Group expenses;
- g. Perform any other function incident to their office and in keeping with the applicable laws and regulations of the State of California.

Section 2. The Board of Trustees by a vote of two-thirds (2/3) of the then Trustees may appoint additional trustees to serve until the next annual meeting of the Group.

Section 3. The Board of Trustees shall be composed of no less than _____ Trustees who are officers or employees of the Group members in good standing with the Group out of a total number of _____ Trustees on the Board.

Section 4. The Trustees, by a majority vote, shall elect a Chairperson, a Vice Chairperson, a Secretary and a Treasurer. The Chairperson and the Vice Chairperson must come from the ranks of the other Trustees. The Trustees shall also appoint a manager, referred to as the "Group Administrator," who also may be one of the four elected officers. In addition, the Trustees may appoint or hire such assistants and other officers or employees as they deem necessary. All officers so elected or appointed shall serve at the pleasure of the Board of Trustees.

Section 5. The Board of Trustees may delegate to the third party claims administrative agency and/or to the Group Administrator the authority to act on all claim matters between Board meetings.

Section 6. Any Group member may be expelled from the Group by the Board of Trustees, after appropriate notice to the member and the Department, in the event that the group member fails to pay any required premium, contribution or assessment due to the Group on the date it becomes due; or in the event that the participant shall not file any report or census required to be filed by the Group members on the date such report or census is due; or in the event any report or census required to be filed by Group members shall contain such materially false statement or omit to state any material information required; or no longer meet the eligibility requirements set by the Board of Trustees or the Department regulations or laws of the State of California.

Section 7. Compensation to each Trustee shall be at a rate not to exceed \$ _____ per diem or \$ _____ per annum.

ARTICLE IV. OFFICERS

Section 1. The Chairperson of the Board shall preside at all meetings of the Trustees and of the meetings of the Group members; shall have general supervision over the affairs of the Group and over the other officers and the Group Administrator; and shall perform all such other acts and duties that are incident to his/her position. In case of the absence or disability or resignation of the Chairperson, the duties of the Chairperson shall be performed by the Vice Chairperson.

Section 2. The Secretary may be designated as the Group Administrator and shall not have a vote unless the person is also a Trustee. The Secretary shall record the minutes of all meetings, prepare agendas, records and correspondence, attest and apply the Seal of the Group to documents, and other duties normally required of a Secretary.

Section 3. The Trustees shall appoint an investment trustee, which may be a Bank, to hold and invest funds for the Group in accordance with provisions of California corporations law, the Labor Code, and regulations of the Department, as applicable. The investment trustee shall have sole discretion as to the securities in which the Group's funds shall be invested, or reinvested, provided that such investments shall be limited to investments permissible for Trustees to make in the State of California and are acceptable to any further, non-conflicting restrictions adopted by the Board of Trustees. The Board of Trustees may from time to time change the investment trustee at their discretion.

ARTICLE V. MEETINGS

Section 1. The Group shall operate on a calendar year basis regardless of the date of inception. An annual meeting of the Group Members shall be held after the close of each calendar year at such time on such date and at such place as shall be determined by the Board of Trustees. The Secretary shall furnish each Group Member and the Director of Industrial Relations a notice in writing of the time, place and date of the annual meeting at least 30 calendar days prior to the date of the meeting.

Section 2. At each annual meeting of the Group Members, the Chairperson of the Board shall submit a statement of the claims experiences of the group during the preceding year, together with an audited financial report of the Group for the same period.

Section 3. An organizational meeting of the Board shall be held each year immediately following the annual meeting of the Group Members. Notice of this meeting shall be included in the Notice of the Annual Meeting given to all Group Members and to the Director.

Section 4. Special meetings of the Board may be called by the Chairperson; or in the absence of the Chairperson, by the Vice Chairperson; or by any majority of the Trustees on the Board of Trustees in writing to the Secretary. By unanimous consent of the Trustees, special meetings may be held without notice at any time or place; otherwise, notice of all regular and special meetings of the Board shall be mailed to each Trustee at least ten (10) calendar days prior to the time fixed for the meeting. All notices of special meetings shall state the purpose thereof. In the event all the members of the Board shall severally or collectively consent in writing to any action taken or to be taken by the Board, such action is valid action as though it had been authorized at the meeting of the Board.

Section 5. A quorum for the transaction of business at any regular meeting or special meeting of the Board shall consist of a majority of the Trustees then in office.

Section 6. The Board shall meet no less than every three (3) months.

ARTICLE VI. FINANCES AND DIVIDENDS

Section 1. The Group shall operate at least two (2) bank accounts, namely, a Board of Trustees Account and a Claims Account. These two accounts shall be the primary working accounts of the Group and shall be maintained at a bank in California.

Section 2. All monies of the Group shall be deposited into these two accounts and may be transferred to other accounts as the Board from time to time shall determine appropriate. The Board may authorize the Group Administrator to fund from the Claims Account to a separate account from which the payment of claims benefits and claims expenses are made by the third party claims administrative agency.

Section 3. The Group Administrator shall collect all applicable group member payments, contributions, assessments, or premiums and shall immediately remit them to the depository bank for deposit into the appropriate Trustees Account or Claims Account maintained by the Group. The Group Administrator shall determine and bill for all appropriate insurance expenses, all security deposit costs, all applicable assessments or taxes, all financial audit and actuary expenses, and claims administration fees incurred by the Group. The portion of the pure claims funding collected that is necessary to achieve the Department's required actuarial confidence level shall be kept in the depository bank in the Claims Account. The Group Administrator shall fund the payment of benefits and claims expenses from the Claims Account to the claims administration agency in an amount sufficient to pay all current claims benefits and claims costs including the costs of the service by the claims administration agency.

Section 4. That portion of each Group Member's payments, contributions, assessments or premiums, which are not needed to pay claims at the required confidence level, pay claims administration expenses or fund the security deposit posted with the Department, may be returned to the Group Members from time to time, but only when specifically authorized by the Board of Trustees and such return of funds will not violate the confidence level of funding required by the Group's latest actuary report. No surplus accumulation may be returned if such payment will impair the capital stability of the Group or financial security of the Group. Any Group Member that withdraws from the Group and/or is not in good standing shall not be eligible to receive any return from the surplus accumulation until the applicable Labor Code statutes of limitations on filing of new claims has expired on all open or potential claims for the calendar year involved. In the event that the Board of Trustees is unable to identify or deliver a refund for any reason, the Group Administrator shall advise the Group Member in writing of that fact and the reasons therefor. Any such monies held by the Board shall remain in the Group as an asset for the benefit of the remaining Group Members, but shall not be returned to the remaining Group members.

Section 5. The expenses of operation of the Group itself, not otherwise provided for herein, shall be paid out of the Trustees Account.

Section 6. An annual financial audit shall be made of the Group by an independent certified public accountant designated by the Board. The expense of this audit shall be paid out of the Trustees Account. Copies of the audit shall be made available to each Group Member, each member of the Board of Trustees, and sent to the Manager of Self Insurance Plans in the Department.

Section 7. An actuarial review shall be made of the Group's claims by an independent certified actuary designated by the Board at least every two years as required by the Department. The expense of this audit shall be paid out of the Trustees Account. Copies of the actuarial report shall be made available to each Group Member, each member of the Board of Trustees, and sent to the Manager of Self Insurance Plans in the Department.

Section 8. Each calendar year of operation of the Group shall be maintained separately for accounting purposes for the benefit of Group Members active during that calendar year. All claims shall be allocated to the calendar year in which they were reported to the Group.

ARTICLE VII. COLLECTIONS OF CONTRIBUTIONS AND OTHER PROVISIONS

Section 1. The Board shall require each participant of the Group to maintain its eligibility to be a Group Member as set forth in Article II, Section 1 of these By-laws. The Group Administrator shall cause an invoice to be sent to each Group Member as of the first business day of each month. Each Group Member shall pay such invoice on or before the tenth day of each month it receives such invoice. The Group Administrator is without authority to extend credit to any Group Member.

Section 2. At the inception of each successive calendar year, the Group Administrator will determine each Group Member's contribution for the new year taking into account the member's loss experience for previous years, and shall promptly after determination thereof notify each Group Member of its contribution. Each Member's contribution shall be subject to review by the Board.

Section 3. Group Members, who are members during January of each year, shall pay a minimum of 25 percent of their annual contribution prior to the effective date of admission, and the balance of the annual contribution amount for each Member shall be paid in equal installments over the next succeeding eight (8) months. A Group Member who becomes a member during the second to eighth month of any calendar year shall pay 25 percent of its annual contribution prior to the effective date of admission and the balance in equal installments so that the entire balance shall be paid in the ninth month of the year. A Member that joins the Group subsequent to the eighth month shall pay the entire contribution prior to the effective date of admission. This procedure shall be applicable to each new calendar year of the Group's existence.

Section 4. Group Members must keep accurate injury and illness records; report all claims; cooperate with the Board, Group Administrator, claims administration agency, and the representatives of the Department having jurisdiction over workers' compensation matters and workplace safety and health matters. Each Group Member shall also take all necessary action to carry out the recommendations of any loss control inspections by the Group.

Section 5. The Board shall, in conjunction with the Group Administrator, issue reasonable operating procedures addressing the operation of the Group. All such procedures shall be reduced to writing and a copy given to each Group Member and shall be deemed binding immediately upon receipt.

ARTICLE VIII. AMENDMENTS

Section 1. Amendments to these By-laws may be made by a vote of two-thirds (2/3) of the Board of Trustees present at any annual meeting or regular meeting or special meeting of the Board called for that purpose and subject to the approval of the Manager of Self Insurance Plans in the Department. Amendments to these By-laws may also be made by two-thirds (2/3) of the participants present either at any annual meeting or any special meeting called for that purpose, but also subject to the approval of the Chief, Office of Self Insurance Plans in the Department.

Check List for a Complete Application for a Certificate of Consent to Self Insure by a Group of Employers

The California Code of Regulations, Title 8, Chapter 8, Subchapter 2, Article 2, provides the requirements for submitting a complete Group Self Insurer's Application and Group Member's Application. The following forms and documents are specifically required by this section to be included with the application. All required information must be submitted with the application form.

Group Self Insurer Requirements

- The group is a California non-profit, mutual benefit corporation for the sole purpose of operating a group workers' compensation self insurance fund to pool compensation liabilities of two or more private employers.
- All group members have the same predominant, first 4-digit North American Industry Classification System Code (NAICS Code).

The private group self insurers can demonstrate and maintain a consolidated net worth of the group members of at least \$5,000,000 and a consolidated annual net income of the group members of \$500,000 and sufficient income to fund:

- 1. the group self insurer's actuarially projected claim liabilities at the 80 percent confidence level;
- 2. to pay the expected administrative expenses to operate the group self insurer's business operations;
- and
- 3. to post the security deposit required.

Note: Consolidated net worth and consolidated net income of group members shall be determined only from members with current certified, independently audited financial statements.

Group Application Forms and Fees

- Completed application form A4-3 (Rev. 1/94) for the group's non-profit mutual benefit corporation. Certificate of Status for Group Corporation from Secretary of State.
- Completed application forms from all proposed members (Form A4-3M) and attachments.
- Filing fee of \$1000 for group applicant. Filing fee for each member filed with this group application is \$500. If an Interim Certificate has been issued and is in effect at the time the application is submitted then the filing fee is \$400.

Feasibility Study

- A copy of the Initial Feasibility Study as required in Section 15471 of these regulations. The feasibility study must include the following:
 - 1. The advantages and disadvantages of group self insurance for the proposed group members as compared to the options of individual self insurance, or coverage under a policy issued by a carrier(s).
 - 2. Identification of all proposed group members and the combined total payroll for the proposed group self insurer.
 - 3. A consolidated summary of the historical workers' compensation claims loss experience and the allocated loss expenses of the proposed group members for the three most recent, completed, full policy years, as well as the current partially completed policy year to the most current quarter under the current policy.
 - 4. An evaluation of the historical workers' compensation claims costs for the group members and actuarial projection of the expected claims costs for the first five years of the group operation. The actuarial projection is to be prepared by (A) an independent person with a designation of Fellow of the Casualty Actuarial Society (FCAS), or by (B) a member of the American Academy of Actuaries (MAAA) with current experience in making California workers' compensation actuarial projections.
 - 5. A five year proforma financial statement including, as a minimum, an income statement, balance sheet, projected cash flows, and claims payout projections. The proforma financial statement must include a detailed separation of assets, liabilities, retained earnings, taxes and dividends. If any claims costs are discounted, the interest rate assumptions and payout patterns must be described and based on reasonable assumptions. The claims payout schedule shall be calculated using the 80th percent confidence level figures from the actuarial study.

6. A summary of the specific details of the group self insurer's operating plan, including but not limited to: the current partially completed policy year to the most current quarter under the current policy.
- a. The legal and organizational structure.
 - b. Method of governance.
 - c. General management of the pool, including underwriting policies, insurance coverage, billing.
 - d. Rating plans or premiums or other means by which group funding during the first five years of operation will be generated, and the amounts to be generated by the methods proposed for each of the first 5 years of operation.
 - e. The first 12 month budget of the group self insurer.
 - f. Excess insurance coverage including estimated cost, attachment point of specific excess coverage policy and aggregate excess policy (if any), and maximum liability of each excess policy.
 - g. Summary of the third party claims administration agency chosen to handle the group self insurer's claims.
 - h. Safety and loss control services that will be available from the group self insurer to group members.
 - i. Underwriting requirements for initial and subsequent member selection into the group self insurer, including particular emphasis as to whether any underwriting requirement would be excluded from coverage by the specific excess or aggregate excess insurance coverage.
 - j. Name of certified public accountant that will prepare annual financial reports for the group self insurer.
 - k. Name of actuary and their professional actuarial designation who will prepare actuarial reports for the group self insurer and the frequency of such evaluation reports.
 - l. Means by which the group self insurer will post the required security deposit and how that cost or deposit will be allocated to the group members.
 - m. Any fidelity coverage and errors and omissions coverage that will be maintained by the group self insurer and the frequency of such evaluation reports.

Financial Statements

- A proforma financial statement prepared by an independent, certified public accountant with all schedules and notes for the group applicant.
- A current, certified, independently audited financial statement with all schedules and notes for each proposed group member for the past two years.
Note: The application of a private sector subsidiary or affiliate of any group member may include the consolidated financial statement of its parent in lieu of the subsidiary or affiliate financial statement.
- An unaudited financial statement or published quarterly report, or consolidated financial statement for the current year or portion thereof.

Assumption and Guarantee

- An Agreement of Assumption and Guarantee of Liabilities of Workers' Compensation Liabilities for Group Members [Form A4-3G (Rev. 1/94)] for each or listing each proposed group member and any subsidiary or affiliate of each proposed group member executed by the group administrator of the group applicant, as required in Section 15203.1 of these regulations.
- An original, executed Indemnity Agreement and Power of Attorney of Joint and Several Liability between the group applicant and each proposed member pursuant to Section 15479 of these regulations.

Resolutions

A Resolution by the Board of Trustees [Form GR-1 (Rev. 1/94)] of the group applicant authorizing the application to become a group self insurer and empowering the group administrator and other employees or officers or Trustees of

- the group applicant to sign the application form and any other necessary documents on behalf of the group applicant, and if granted a Certificate to Self Insure, the group self insurer as required in Section 15203.3(d) of these regulations.

A Resolution by the Board of Trustees of the group applicant authorizing the execution of an Agreement of Assump-

- tion and Guarantee for Workers' Compensation Liabilities on behalf of the proposed group members and any future members of the group self insurer granted an Affiliate Certificate.

The application must also identify the following:

- Excess Insurance coverage
- Fidelity coverage
- Errors and omissions coverage
- Actuary and frequency of reports
- Underwriting requirements for members

Other Requirements

- An original Certificate of Status or other appropriate registration documents showing the group applicant and each group member is licensed or registered to do business in California.
- An evaluation of the group applicant and group members' injury and illness prevention program or proof of a Cal/OSHA inspection pursuant to Section 15353 of these regulations.
- Agreement and Undertaking for Security Deposit (Form A4-GAU).

Group Member Application

- Application Form A4-3M (Rev. 1/94) from each member of the group.

A current financial statement together with all schedules and notes if the applicant group member will be considered a core group member as defined in Section 15201(p) of these regulations. For applications for non-core members of a group self insurer that has qualified financially to self insure pursuant to Section 15472, no financial statement need be submitted

- with the application. However, the Board of Trustees, or the Group Administrator if authorized by the group bylaws, shall evaluate potential new members by reviewing their financial statements, tax returns, credit reports, or other appropriate documentation as specified in the bylaws of the group self insurer.

Note: If the report of the financial condition is dated more than 12 months prior to the date of this application, the Director may require an interim financial statement certified by the appropriate financial officer and dated not less than 3 months from the date of this application.

- Resolution to be Self Insured as a Member of the Group Self Insurer.
- Indemnity Agreement and Power of Attorney, as required in Section 15479.