

Montana Department of Labor & Industry
Employment Relations Division
Workers' Compensation Regulation Bureau
P.O. Box 8011
Helena, MT 59604-8011

AGREEMENT of ASSUMPTION

AND

GUARANTEE OF WORKERS' COMPENSATION

AND OCCUPATIONAL DISEASE LIABILITES

FOR SELF-INSURED GROUP

Whereas, the _____,
(hereinafter referred to as the Group) is or has made application to be a group self-insurer pursuant to Sections 39-71-2101 through 39-71-2109, MCA, inclusive, of the Montana Workers' Compensation and Occupational Disease Act: and

Whereas, ("Member Name") _____
of ("Address") _____

_____ (hereinafter referred to as the Member) is or desires to join the Group and become a self-insured member of the Group, has good and sufficient reason for executing this Agreement;

NOW, THEREFORE, IT IS UNDERSTOOD AND AGREED:

1. In consideration of the Montana Department of Labor & Industry, Employment Relations Division (hereinafter called the Department) issuing permission to self-insure to the Group, the Member agrees to assume and guarantee to pay, or otherwise discharge promptly, any and all liabilities and obligations which the Group may incur as a self-insurer of its Montana workers' compensation and occupational disease liabilities.
2. This Agreement shall cover and extend to all potential liability for workers' compensation and occupational disease benefits of the Group arising on or after the effective date of this Member's participation in the Group.

3. This Agreement represents a direct financial guarantee to the employees of all members of the Group and the beneficiaries of deceased employees of all members of the Group for the full amount of any and all liabilities or obligations under this Agreement, and is not limited to the Member's "pro-rata" share. The Member understands and agrees that it shall be jointly and severally liable with the other members for the full amount of any and all known and unknown claims of the Group.
4. In the event the Group shall fail to pay compensation, as compensation is defined in the Montana Workers' Compensation and Occupational Disease Acts, when due, the Member will pay the same extent as if payment was its sole liability. The Member understands and agrees that it shall be jointly and severally liable with the other members for the full amounts of any and all known and unknown claims of the Group arising during the membership of the Member with the Group.
5. This Agreement shall remain in full force and effect unless properly terminated.
6. This Agreement may be terminated at any time by the Member upon giving sixty (60) days written notice to the Department. The notice must be sent via registered or certified mail. Sixty-one days after the notice is received by the Department, the liability of the Member for future claims terminates. The Member remains liable to the Department for any default in payment by the Self-Insured with regard to claims arising from occurrences that happened prior to the effective date of the termination of this Agreement.
7. This Agreement is enforceable by the Group, its members, the employees of its members, and/or the Department. The Member is held and firmly bound for the payment of all legal fees and costs incurred by the State of Montana in any actions taken to enforce this Agreement.
8. The Member waives, in the event of non-compliance by the Group, any demand or notice in respect thereof and any requirement of legal and equitable proceedings or otherwise on the part of the Department against the Group as a condition precedent to enforcing the obligations of the Member hereunder.
9. This Agreement shall be binding upon the Member, its successors and assigns.

