

STATE OF VERMONT  
Department of Labor  
Agreement of Assumption and Guarantee of  
Workers' Compensation Liabilities

WHEREAS, \_\_\_\_\_ (hereinafter called the Undersigned), a corporation organized under the State of \_\_\_\_\_, with its principal office located at \_\_\_\_\_, on account of financial interest in \_\_\_\_\_, a corporation of \_\_\_\_\_, as stockholder thereof; and  
WHEREAS, \_\_\_\_\_ (hereinafter called the Self Insurer), is, or has made application to be, a self-insurer pursuant to 21 V.S.A. Section 687.

NOW THEREFORE, it is understood and agreed that:

1. In consideration of the Commissioner, Vermont Department of Labor, issuing a certificate of self-insurance to said self-insurer, the Undersigned agrees to assume and guarantee to pay, or otherwise discharge promptly, all the liabilities and obligations which said Self-Insurer may incur as a self-insurer of its Vermont workers' compensation liabilities. The insolvency or bankruptcy of the self-insured shall not relieve the undersigned from payment of compensation for injuries or death sustained by an employee during the term of this agreement.
2. This agreement shall cover and extend to all potential liability for workers' compensation benefits as required by law of said Self-Insurer; as a self-insurer of

its Vermont workers' compensation liabilities arising on or after the effective date hereof.

3. This Agreement shall not cover or extend to any workers' compensation liabilities of said Self-insurer which are expressly insured by a carrier authorized to write Vermont workers' compensation insurance.
4. This Agreement shall remain in full force and effect unless terminated in the manner hereinafter provided.
5. This Agreement may only be terminated by the Undersigned upon giving ninety (90) days written notice by registered mail to the Commissioner, Vermont Department of Labor and the self-insured. The liability of the undersigned shall cease, at the expiration of ninety (90) days from receipt of notice by the Commissioner. The undersigned would be liable for any injuries or death sustained by an employee prior to the expiration of the ninety (90) day period; it is expressly understood and agreed that the Undersigned shall be liable for default of said Self-Insurer as a self-insurer as of the date of said termination.
6. A change in the proprietorship or sale of said Self-Insurer or the undersigned does not terminate this Agreement. Further, the Undersigned shall notify the Commissioner, by Registered Mail, of any material change affecting the

Undersigned or the Self-Insurer, not less than thirty (30) days prior to the effective date of any such change. Material changes include, but are not limited to, changes to the legal structure, partial or total sale or acquisition of the Undersigned, the Self-Insurer or affected subsidiaries.

7. In the event said Self Insurer shall fail to pay compensation, per 21 V.S.A. Chapters 9 and 11, including, but not limited to, medical costs, vocational rehabilitation costs, temporary total or partial disability compensation, permanent total or partial compensation, when due, the Undersigned will pay the same, and payment may be enforced against the Undersigned to the same extent as if said payment was the liability of it.
  
8. The Undersigned is held and firmly bound for the payment of all legal costs incurred by the State of Vermont in any actions taken to enforce this Agreement.
  
9. If the Undersigned has not filed with the Vermont Secretary of State to the extent required to entitle it to transact intrastate business in Vermont it hereby agrees to submit itself to the jurisdiction of the Commissioner, Vermont Department of Labor and the Vermont courts for the purpose of enforcing the liabilities and obligations arising from this Agreement.

10. If the Undersigned has not filed with the Vermont Secretary of State to the extent required to entitle it to transact intrastate business in Vermont it hereby agrees that service of process may be effected on the Undersigned by sending notice to \_\_\_\_\_ by Registered Mail.

IF A CORPORATION:

SUBSCRIBED AND SEALED AT \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Attest:

Corporate Seal.

By: \_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Signature

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CERTIFICATE

I, \_\_\_\_\_, being a duly elected \_\_\_\_\_,  
a \_\_\_\_\_ corporation (the "Company"), hereby certify that the resolution  
attached as Exhibit A was duly adopted by the Board of Directors of the Company on  
\_\_\_\_\_, \_\_\_\_\_, and that such resolution remains in full force and  
effect, and do further certify that \_\_\_\_\_ is the duly elected  
\_\_\_\_\_ of the Company and is authorized to execute and deliver  
contracts, bonds, agreements, and other documents, including parent company guaranties,  
on behalf of the Company.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

Corporate Seal

## **Exhibit A**

RESOLVED, that the (e.g. Executive Vice President and Chief Financial Officer and the Corporate Vice President and Treasurer) or any person expressly designated by either of them in writing be and each of them hereby is authorized to conduct financial transactions within the ordinary course of business of the Corporation involving the opening of bank accounts and brokerage accounts, obtaining letters of credit to secure insurance, financing and other obligations of the Corporation or any of its subsidiaries and the issuance of parent Corporation guarantees to support subsidiaries' bank credit lines or other credit facilities, short-term promissory notes (such being within the limits of bank borrowings by subsidiaries as has been or will be separately authorized) and other financing requirements of subsidiaries as may from time to time arise, and to otherwise conduct the day-to-day financial business of the Corporation within the ordinary course of business;