



**ILLINOIS WORKERS' COMPENSATION COMMISSION
PARENT GUARANTY AGREEMENT IN CONNECTION WITH SELF-INSURANCE PRIVILEGE**

Guarantor Name: _____

Guarantor Address: _____

I. Guaranty: The Employer(s) named on Exhibit A attached hereto and on any Amendatory Schedule(s) supplementing this Agreement have applied for qualification or continued qualification as private self-insurer(s) under the laws of the State of Illinois known as the Workers' Compensation Act and the Workers' Occupational Diseases Act, both effective July 9, 1951, as amended, (hereinafter collectively called the "Acts"). In consideration of the qualification or continued qualification of the Employer(s) as private self-insurer(s) under the Acts, the Guarantor hereby absolutely and unconditionally guarantees and promises to pay (a) each Employer's obligations incurred under the Acts as the result of injuries or exposures occurring at any time before, after or on the date hereof while the Employer is a qualified private self-insurer under the Acts and (b) the related administrative and defense costs, including the costs specified in any Self-Administered Claims Endorsement executed by the Employer. This Agreement shall be a continuing guaranty and shall remain in full force and effect at all times notwithstanding any periodic applications by any Employer for continued qualification as a private self-insurer under the Acts and any amendment(s) to the Acts after the date hereof that may have the effect of increasing an Employer's obligations as a private self-insurer under the Acts.

II. Representations and Warranties: The Guarantor represents and warrants that (a) the execution and performance of this Agreement have been duly authorized, and (b) the Guarantor, directly or indirectly, owns, controls or holds, with the power to vote, more than fifty percent (50%) of the outstanding voting securities of each Employer *or* the Guarantor has the right to elect or appoint, directly or indirectly, a majority of the directors, trustees or other governing body of each Employer, or has the right to approve and disapprove, directly or indirectly, the persons appointed as a majority of the directors, trustees or other governing body of each Employer.

The Guarantor shall immediately notify the Illinois Workers' Compensation Commission ("Commission") and the Self-Insurers Advisory Board ("Board") created by the Workers' Compensation Act if the second of these representations and warranties ever becomes inaccurate.

III. Guarantor's Obligations upon Employer's Default: If any Employer fails to pay any of its obligations as a private self-insurer under the Acts, the Guarantor will, upon demand and without delay, pay each such unpaid amount as required by the applicable Act to or on behalf of the employee whose injury or disease resulted in that obligation or the representative or beneficiary of that employee (hereinafter collectively called the "Employee"). This Agreement is for the benefit of each such unknown and unnamed Employee. In addition, the Guarantor will promptly pay any unpaid related administrative and defense costs guaranteed hereunder and any amount required for the pre-funding of claims and of administrative and defense costs by any third-party administrator duly appointed by any Employer(s), the Commission or the Board.

Any Employee or the Chairman of the Commission ("Chairman") may maintain direct action on this Agreement to enforce the performance of the Guarantor's obligations hereunder. In any such action, the Employee or the Chairman may recover reasonable attorneys' fees incurred.

After the Chairman has made a demand upon the Guarantor, no Employee shall maintain a direct action on this Agreement, and the Guarantor shall not make any payment under the Agreement to any Employee.

IV. Guarantor's Waiver of Defenses and Subrogation Rights: In no event shall the Guarantor demand or require as a condition of performing its obligations hereunder that any Employee or the Chairman (a) obtain judgment or exercise any remedies against an Employer, (b) exhaust any rights with respect to any security that an Employer may have posted with the Commission, or (c) notify the Guarantor of any information concerning amendment(s) to the Acts after the date hereof or concerning any Employer that may be relevant to the obligations guaranteed hereunder. The Guarantor hereby agrees not to assert any subrogation rights that it may have as a result of any payments made hereunder against any security that any Employer has posted or may post with the Commission unless and until the Commission returns or releases said security. In addition, the Guarantor agrees to make the payments provided for in this Agreement without regard to whether any obligation under the Acts of any Employer has been discharged under federal bankruptcy laws or any similar laws.



ILLINOIS WORKERS' COMPENSATION COMMISSION
CORPORATE CERTIFICATE IN CONNECTION WITH GUARANTY OF SELF-INSURANCE OBLIGATIONS

Date:
Guarantor Name:
Guarantor Address:

The Illinois Workers' Compensation Commission ("Commission") granted the Employer(s) named on Exhibit A attached hereto permission to self-insure under the laws of the State of Illinois known as the Workers' Compensation Act and the Workers' Occupational Diseases Act, both effective July 9, 1951, as amended, (hereinafter collectively called the "Acts").

Now, therefore, the undersigned does hereby certify that:

- 1. The Guarantor is a corporation duly organized and validly existing under the laws of the State of
2. The undersigned is the duly elected and acting Secretary or Assistant Secretary of the Guarantor, and
Name of officer executing the Guaranty is the duly elected
and acting President or Vice-President of the Guarantor. Attached is a true and correct
copy of the corporate minutes evidencing the election of
Name of officer executing the Guaranty
as said President or Vice-President
3. Pursuant to the terms of the Guarantor's by-laws, charter or other organizational documents, the Guarantor and the above-named President or Vice-President have full power and authority to enter into, execute and deliver the required Guaranty and any Amendatory Schedule(s) of Additional Employers thereto (copies of which are attached hereto) to the Illinois Workers' Compensation Commission, and the Guaranty, as amended by any Amendatory Schedule(s) of Additional Employers, constitutes the valid and binding obligation of the Guarantor in accordance with its terms.
4. The Guarantor, directly or indirectly, owns, controls or holds, with the power to vote, more than fifty percent (50%) of the outstanding voting securities of each Employer.

GUARANTOR CORPORATE SEAL

Signature of Secretary/Assistant Secretary Date
Name of Secretary/Assistant Secretary

