

## **Workers' Compensation Insurance Group Self-Insurance Coverage Acknowledgement of Indemnity Agreement**

Reference: 28 TAC §5.6407(b)

Name of group:

CAREFULLY READ AND INITIAL SEPARATELY BELOW THAT YOU FULLY UNDERSTAND THE EMPLOYER'S JOINT AND SEVERAL LIABILITY.

THE JOINT AND SEVERAL LIABILITY AGREEMENT FOR A WORKERS' COMPENSATION SELF-INSURANCE GROUP IS A LEGAL DOCUMENT THAT BINDS THE SIGNATORIES TO SPECIFIC DUTIES AND RESPONSIBILITIES REGARDING GROUP FINANCIAL ARRANGEMENTS FOR COVERING WORKERS' COMPENSATION INJURIES AND OCCUPATIONAL DISEASE AND EMPLOYERS LIABILITY INSURANCE COVERAGE IN THE STATE OF TEXAS.

IN CONSIDERATION OF BEING MADE A MEMBER OF THE GROUP AND SHARING IN THE BENEFITS OF THE GROUP'S WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY GROUP SELF-INSURANCE, THE EMPLOYER AND THE GROUP HAVE EXECUTED AN AGREEMENT. THE AGREEMENT PROVIDES FOR JOINT AND SEVERAL LIABILITY: THIS AGREEMENT REQUIRES THE EMPLOYER TO JOIN IN PAYING WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY LOSSES OF THE GROUP IN THE EVENT THE GROUP'S ASSETS ARE NOT SUFFICIENT TO COVER THE LIABILITIES.

The Employer will be jointly and severally obligated with each other member of the group to meet the workers' compensation and employer's liability insurance coverage obligations of the group and to make any and all payments to the group, which may be necessary to meet the group's obligations under applicable Texas law and regulations and also in accordance with the group's bylaws; including agreeing that if the assets of the group are at any time insufficient to enable the group to discharge the group's legal liabilities and other obligations and maintain the reserves required of it under applicable Texas statutes and regulations, and the group is unable to otherwise make up the deficiency in accordance with Texas laws, regulations, and the group's bylaws, then the Employer will be jointly and severally liable to pay an assessment by the group in an amount necessary to make up the deficiency.

The Employer remains jointly and severally liable even if the Employer is cancelled by the group or elects to terminate membership in the group. The Employer will remain jointly and severally liable for the workers' compensation and employer's liability insurance coverage obligations for the group and its members that were incurred during the Employer's period of membership.

The insolvency or bankruptcy of an employer will not relieve the group, the Employer, or any member from liability for the payment of any benefits incurred during the insolvency or bankrupt member's period of membership.

\_\_\_\_\_ By initialing to the left, I CERTIFY THAT I HAVE CAREFULLY READ THE FOREGOING AND UNDERSTAND THAT THE EMPLOYER MAY BE RESPONSIBLE FOR PAYING THE LIABILITIES OF OTHER GROUP MEMBERS IF THE GROUP'S ASSETS ARE NOT SUFFICIENT TO COVER ITS LIABILITIES, REGARDLESS OF THE CLAIMS OF THE EMPLOYER.

\_\_\_\_\_ By initialing to the left, I CERTIFY THAT I HAVE CAREFULLY READ THE FOREGOING AND UNDERSTAND THAT THE EMPLOYER MAY BE RESPONSIBLE FOR PAYING AN ASSESSMENT BY THE COMMISSIONER OF INSURANCE AS A RESULT OF THE INSOLVENCY OF ANOTHER GROUP.

Employer Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Printed name and title of officer/owner authorized to sign)

\_\_\_\_\_  
(Signature of officer/owner authorized to sign)