

SELF-INSURER'S AND SURETY'S BOND

(WORKERS' COMPENSATION LAW)
(State of New Jersey)

KNOWN ALL MEN BY THESE PRESENTS: That _____

as Principal, and _____ a Corporation authorized to do business in the State of New Jersey, as Surety, are held and firmly bound unto the Commissioner of Banking and Insurance of the State of New Jersey, for the use and benefit of the employees of the Principal in the full and just sum of

(_____) Dollars, lawful money of the United States of America, to the payment whereof we hereby bind ourselves and each of us, our and each of our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bounden Principal did file with the Commissioner of Banking and Insurance its application for the privilege of becoming a self-insurer under the provisions of Section 34:15-77 of the Revised Statutes of the State of New Jersey as amended by Chapter 311, Laws of 1968, as amended, and

WHEREAS the said Commissioner of Banking and Insurance did, on the ____ day of _____, _____, approve the said Principal to become a self-insurer under the Workers' Compensation Laws of New Jersey upon the condition, however, that the said Principal enter into a bond conditioned, among other things, that the said Principal shall truly discharge all of its obligations under the Workers' Compensation Laws of New Jersey, and all amendments thereto, respecting the administration, distribution and payment of compensation, the furnishing at its own cost and expense of medical, surgical and other services and funeral expenses for injury or death occurring to, and for disability or death caused by, an occupational disease contracted by, the employees of the Principal in the course of their employment and the rules and regulations that are now or may hereafter be adopted by the State of New Jersey with respect to same.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS such that if the above bounden Principal shall well and truly from time to time and at all times hereafter discharge all of its obligations, abide by and perform all of the requirements of the Workers' Compensation Laws of New Jersey, and of any amendments thereto, as well as the rules and regulations that are now or hereafter may be adopted by the State of New Jersey, respecting the administration, distribution and payment of compensation, the furnishing at its cost and expense of medical and surgical and other services and funeral expenses for injury or death occurring to, and for disability or death caused by, an occupational disease contracted by the employees of the Principal in the course of their employment then this obligation shall be void, otherwise to remain in full force and virtue in law, subject, however, to the following express conditions:

1. In the event of default or failure of the Principal to pay compensation including, without limitation, payments for burial expense, hospital services, hospital supplies, physician's fees and all other payment provided for under "The New Jersey Workers' Compensation Act" including, but not limited to awards for disability or death arising out of and in the course of employment which occurred prior to the effective date of

this bond, as required under said acts as amended, or as may be amended, or the rules and regulations issued thereunder or the agreement and undertaking executed by the Principal as a self-insurer, or in the event of insolvency, bankruptcy or receivership of the Principal, the Commissioner of Banking and Insurance may from time to time make written demand personally or by mail upon the Principal and Surety to pay said Commissioner such sum or sums as the Commissioner may require to discharge promptly all or any part of the obligations of the Principal, past, present, future or potential, under or pursuant to said acts, or rules and regulations, issued thereunder or the agreement and undertaking as a self-insurer. Such payment shall be made within fifteen (15) business days after receipt of such demand by the Surety. The Surety shall not be liable for any obligations of the Principal otherwise payable under an approved Workers' Compensation Insurance Policy or prior duly accepted Surety Bond filed as self-insurer.

2. This is a continuous bond and shall remain in force and effect until terminated by the Surety, as hereinafter provided, or until the Principal's status as a self-insurer has been revoked or terminated by the Commissioner of Banking and Insurance, and in either of such events the Surety shall have no further liability except for the said obligations of the Principal, including a rateable part of the assessments for the current period, preexisting or incurred during or with respect to any period prior to the termination of this bond. Such termination shall not relieve the Surety of obligations with respect to accidents and occupational disease afflictions resulting in disablements that occur prior to the effective date of such termination.
3. This bond may be terminated by the Surety by written notice of its intention to do so filed in the Office of the Commissioner of Banking and Insurance, and by giving written notice thereof to the Principal, in which event the Surety's liability shall terminate at the expiration of forty-five (45) days from the date of such filing and not earlier, subject, however, to the provisions of paragraph 2.
4. In the event of change in the legal entity of the Principal, the Principal shall immediately notify the Commissioner of Banking and Insurance and the Surety agrees to notify forthwith the Commissioner in writing of any such change as soon as it receives notice or any knowledge thereof: provided, however, the Surety shall not be liable for the obligations of the new entity unless it consents thereto in writing.
5. The total of all payments by the Surety for all obligations hereunder shall not exceed, in the aggregate, the sum set forth herein and in the event of any change of such sum, such aggregate liability shall not exceed the largest sum in force at any time prior to the termination of this bond.
6. The sum of this bond may be increased or decreased by an agreement to be made a part hereof, specifying the effective date of such increase or decrease, executed by the Principal and the Surety and accepted by the Commissioner of Banking and Insurance. In the event that the sum of this bond be increased or decreased, the Surety shall be liable hereunder in such increased or decreased amount, as the case may be, for the obligations set forth in paragraph 1, above, incurred during the period that such increase or decrease is in effect.
7. In the event payment is made by the Surety to the Commissioner of Banking and Insurance pursuant to the provisions of this bond, the Commissioner may release the

unused balance of such payment after proof satisfactory to the Commissioner that the Principal had discharged all its current obligations, and where the bond had been terminated, after such proof and the lapse of such time as required to fulfill all the Principal's legal obligations under said Acts.

8. The insolvency, bankruptcy or receivership of the Principal shall not relieve the Surety from its obligations under this bond.
9. Nothing herein shall be deemed to relieve the Principal of any liability arising under the New Jersey Workers' Compensation Act or under the rules and regulations issued pursuant to the said Acts or the agreement and undertaking.
10. This bond shall be effective from ____ day of _____, _____, except as herein otherwise provided, and prior to the termination of this bond as hereinbefore provided.

IN WITNESS WHEREOF, the parties have hereunto set their names and seals the day and year first above written.

ATTEST:

Principal
BY: _____ (SEAL)

WITNESS:

BY: _____ (SEAL)

BY: _____ (SEAL)

