This Agreement is made and entered into on the date set forth below and between the Member named below and all other persons who are now or may hereafter become Members (collectively with such Member, the "Members") of the Health Care Providers Self-Insurance Trust ("Trust"), acting by and through their Trustees ("Trustees").

WITNESSETH

WHEREAS, the Members have sought and been granted by the Workers' Compensation Board authority to pool their liabilities pursuant to the terms of subdivision 3-a of Section 50 of the Workers' Compensation Law, subject to the following terms and conditions:

(1) That the Trust shall either deposit funds acceptable to the Workers' Compensation Board or post any bonds or securities required by the Superintendent of Insurance and the Workers' Compensation Board to secure the performance of any award which might be made against the Trust or any member(s) thereof. The Trustees shall be entitled to receive all interest accruing on any deposits and/or securities posted for the purposes for which the Trust is formed, provided that the Trust is not in default in payment of compensation benefits or of any assessment levied by the Workers' Compensation Board.

(2) That the Members of the Trust execute a covenant or agreement whereby, in addition to the collateral above mentioned, the Trust and its Members will jointly and severally covenant to assume and discharge, by payment, any lawful awards entered by the Workers' Compensation Board against any Member of the Trust, which awards shall have been sustained by the courts where an appeal by either party is taken.

(3) That the Members of the Trust execute a covenant or agreement whereby the Trust and each Member thereof will jointly and severally covenant and agree to pay premiums and assessments, based upon appropriate classifications and rates, into a designated cash reserve trust fund out of which lawful and proper claims and awards are to be paid, and further that the Trust and the Members will jointly and severally covenant and agree that there will be no disbursement out of this fund by way of dividends or distribution of accumulated reserves to the respective Members, except at the discretion of the Trustees; and

WHEREAS, the Members, through their designated Trustees, have elected to comply with said conditions and to become a group self-insurance trust, and to execute any and all covenants, agreements and other documents required in furtherance thereof; and
WHEREAS, the Members have authorized the Trustees to maintain and direct the affairs of the Trust for the benefit of the Members and to pass on the admissibility of future Members, with the powers and duties conferred upon the Trustees herein and by the By-laws of the Trust;

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and obligations herein contained, which are given to and accepted by each Member who executes this Agreement hereof to the others, the Members jointly and severally stipulate and agree as follows:

ARTICLE I

ACCEPTANCE OF COVENANTS

(1) The Members, through the Trustees, hereby agree to file with the Workers' Compensation Board either deposit funds acceptable to the Workers' Compensation Board or a surety bond in the amount specified by the Workers' Compensation Board to secure performance by the Trust of payment of all lawful awards made by the Workers' Compensation Board against any Member or Members, predicated on a claim or claims by an employee or employees of any Member, arising out of and in the course of such claimant's employment and which awards shall have been sustained by the courts where an appeal by either party is taken and upon condition that said Member through which such claim originates shall not have resigned from or been expelled from the Trust pursuant to the By-laws, rules and regulations of the Trust.

(2) The Members jointly and severally covenant and agree to assume and discharge, by payment, any lawful awards entered by the Workers' Compensation Board against any Member of the Trust, and any lawful award against or obligation of the Trust which it may become legally obligated to pay, in respect of any fund year or part thereof that such Member participated in the Trust, whether or not still a Member in good standing, and which award or obligation shall have been sustained by the courts where an appeal by either party is taken.

(3) The Members jointly and severally covenant and agree to pay the necessary contributions, dues, and assessments, based upon appropriate classifications and rates, into a designated cash reserve fund out of which lawful and proper awards and claims are to be paid, and that there will be no disbursement out of the designated cash reserve fund by way of dividends or distribution of accumulated reserves to the Members, except at the discretion of and direction by the Trustees.

(4) The Members jointly and severally covenant and agree to assume and discharge, by payment, any obligation of the Trust to pay to any premium finance company any unearned or return contribution or the outstanding balance of any loan from such premium finance company to any Member, if such unearned or return contribution is less than such outstanding balance. The Members shall pay the premium finance company for amounts due hereunder within 60 days after any premium finance company notifies the Trust that any Member has defaulted on such Member's loan from the
premium finance company. Each Member hereby authorizes the Trustees to pay any premium finance company any amount described herein or in any agreement or understanding between the Trust and any premium finance company. Such payments may be made from any funds available to the Trust. Any premium finance company described herein shall be a third party beneficiary of this Agreement and such premium finance company may proceed directly against one or more of the Members, as the premium finance company may determine in its sole discretion, to enforce the provisions of this section.

(5) The Members jointly and severally covenant and agree to assume and discharge, by payment, any obligation of the Trust to the Utica Mutual Insurance Company. The Members shall pay the Utica Mutual Insurance Company for amounts due hereunder as soon as practicable after Utica Mutual Insurance Company notifies the Trust that it has paid any claim against it.

(6) The Members intend this Agreement to be a mutual covenant of assumption and not a partnership, but should any court of competent jurisdiction construe it to be a partnership, then it is the intention of the parties that such partnership be strictly construed and limited in scope to the uses for which this Agreement is executed and no other.

ARTICLE II
DEFINITIONS

(1) Program Administrator shall mean any individual, firm, corporation, partnership or association duly authorized or licensed to write or act as a broker in the writing of Workers' Compensation Insurance in this State and who agrees to act as the manager of the group self-insurance program.

(2) Third Party Administrator shall mean such individual or business entity appointed by the Trustees to provide administrative, processing or other services, including the resolution and payment of claims to the Fund.

(3) Member shall mean the Members named herein, and which in each case (i) is an employer within the meaning of the New York Workers' Compensation Law, (ii) meets the qualifications for membership as established by this Agreement and the Declaration of Trust, (iii) has been accepted for participation in the Trust by the Trustees, and (iv) has executed this Agreement.

(4) Trustees shall mean the Trustees acting hereunder and under the Declaration of Trust.

(5) Workers' Compensation Board shall mean the Workers' Compensation Board of the State of New York.
(6) Declaration of Trust shall mean Health Care Providers Self-Insurance Trust Declaration of Trust dated September 17, 1992, and as it may be amended from time to time.

(7) Trust shall mean Health Care Providers Self-Insurance Trust as established by the Declaration of Trust.

(8) Bank Trustee shall mean a state or federally chartered institution having trust powers according to the laws of the State of New York.

ARTICLE III

POWERS AND DUTIES OF THE TRUSTEES

(1) Each undersigned Member ratifies and confirms the designation of the Trustees as the Trustees of the Trust authorized to direct its affairs and to perform all acts necessary to accomplish the purposes and objectives of the Trust and this Agreement, in accordance with State law, applicable regulations of the Workers' Compensation Board, the Declaration of Trust and the By-laws of the Trust, which are incorporated herein by reference in their entirety.

(2) Subject to the approval of the Workers' Compensation Board, the Trustees may promulgate, adopt, operate and enforce administrative rules, regulations and/or By-laws for the administration and operation of the Trust. The Members agree to abide by any such rules, regulations or By-laws adopted by the Trustees. The Trustees may adopt, amend, change or repeal such rules, regulations, or By-laws from time to time as they deem necessary.

(3) The Trustees are authorized to perform all other functions and exercise all other authority otherwise granted herein or necessary or desirable to carry out the purpose of this Agreement or the specific powers granted herein.

ARTICLE IV

ADMINISTRATION

(1) The Program Administrator designated by the Trustees shall have authority to perform all necessary functions to administer and operate the Trust as directed by the Trustees. The Trustees may authorize the payment of and pay to the Program Administrator a reasonable fee for the services rendered by the Program Administrator hereunder.

(2) The Trustees are authorized to establish all necessary contributions, charges and assessments as authorized herein and as necessary for the proper operation and administration of the Trust.
(3) The Third Party Administrator designated by the Trustees will pay all approved items of expense as directed by the Trustees and/or Program Administrator, and give a monthly account of all monies so handled. The Trustees may authorize the payment of and pay to the Third Party Administrator a reasonable fee for the services rendered by the Third Party Administrator hereunder, which services may include the collecting, disbursing and accounting for monies collected, counseling with Members as to safety hazards, claims handling and investigation, and providing for excess insurance coverage. The Third Party Administrator's books and records are to be open to inspection by the Workers' Compensation Board and by the Trustees or their agents at all reasonable times.

(4) The Trustees, Program Administrator or their designee shall deposit with an independent fiduciary which is a Bank Trustee, for deposit to the account of the Trust, all contributions as and when collected from the Members. The Bank Trustee shall hold and administer the amounts on deposit in the account of the Trust as provided in the Trust Agreement between the Trust and the Bank Trustee. All directions by the Trustees or the Program Administrator to the Bank Trustee shall be in conformity with this Agreement and (a) the rules, regulations and By-laws of the Trust, (b) the Agreement between the Trustees and the Third Party Administrator and/or such Bank Trustee, (c) the rules and regulations of the Workers' Compensation Board pertaining to group self-insurers and (d) the Declaration of Trust.

(5) The Trustees are authorized and directed to take all reasonable precautions to protect the Members from losses and shall provide for excess insurance coverage designed to protect said Members against excess losses. The contracts for coverage shall be governed by the rules and regulations of the Workers' Compensation Board.

(6) If the assets of the Trust are at any time actuarially determined to be insufficient to enable the Trust to discharge its legal liabilities and other obligations and to maintain actuarially sound reserves, the Trustees shall make up the deficiency by the levy of an assessment upon Members, prorated in accordance with the rules and regulations adopted by the Trustees, or by other appropriate methods to secure the amount needed to make up the deficiency, failing which, however, the Trustees shall levy an assessment required by any lawful order of the Workers' Compensation Board. The Members shall be given a minimum of 30 days notice of any assessment due. Any Member failing to make the payment required when due shall, following written notice and a thirty (30) day opportunity to cure such failure, and upon a minimum of ten (10) days notice to the Workers' Compensation Board (whichever such period expires later), and otherwise in compliance with the rules and regulations adopted by the Trustees, be immediately suspended from membership and that Member's coverage and benefits hereunder shall prospectively cease. If the Member shall subsequently submit the payment, the Trustees may, in their discretion, reinstate the membership of such Member. Each Member covenants and agrees to make payment of a deficiency assessment, prorated in accordance with the rules and regulations adopted by the Trustees, for any fund year, or part thereof, that the Member participated in the Trust, whether or not still a Member in good standing.
(7) The Members hereby agree that the Trustees may admit as a Member any acceptable employer having employees in the State of New York, and which qualifies to be a Member as defined herein, and that the Trustees shall be the sole and exclusive judge of whether or not an applying entity shall be admitted to membership, and provided further that any such admission of a new Member shall be effective only upon approval of such by the Trustees in their absolute discretion and, if required by law or by applicable regulation of the Workers' Compensation Board, by the Workers' Compensation Board. All Members of the Trust further agree that a Member may be expelled from the Trust by the Trustees in accordance with the By-laws and rules and regulations adopted by the Trustees, after thirty (30) days notice has been given to the Member and ten (10) days notice has been given to the Workers' Compensation Board (except that in the case of a proposed expulsion for failure to pay any required assessment, the notice and cure provisions of paragraph (6) above shall apply in lieu of the notice provisions of this paragraph (7)), which notices may be given so that the notice periods shall all expire at the end of the 30 day notice period, and that no liability shall accrue to the Trust or its Members for any claim by an employee of an expelled Member occurring after the effective date of termination of such expelled Member.

(8) Rules and regulations and/or By-laws for administration and for the admission and expulsion of Members shall be promulgated by the Trustees. In addition, the Members agree to abide by the following rules and regulations:

(a) Each Member agrees to follow the safety recommendations of the Trustees, the Program Administrator and the Third Party Administrator in order to provide to its employees safe and sanitary working conditions and to promote the general welfare of its employees. In the event of disagreement as to the implementation of any such recommendation, any party may appeal to the Trustees, whose decision is final.

(b) In the event of an accident or reported claim, each Member agrees to give immediate notification of said accident or claim to the Third Party Administrator on the prescribed forms.

(c) Each Member shall make prompt payment of all contributions and assessments as required by the Trustees. Such contributions shall include loss and expense constants and minimum contributions where applicable, and may be reduced by any discount allowed by the Trustees as long as such discount does not exceed the amount permitted by the Workers' Compensation Board rules pertaining to self-insurers.

(d) Each member hereby appoints the Third Party Administrator selected by the Trustees as its agent and attorney-in-fact to act on its behalf and to execute all contracts, to make or arrange for the payment of all claims, medical expenses, and all other things required or necessary as covered by the terms of this Agreement and pursuant to the rules and regulations and/or By-laws as now required or as may hereafter be promulgated by the Trustees and/or the Workers' Compensation Board.
(e) Each Member agrees that the Trustees and attorneys or agents employed by the Trustees shall have sole authority to represent the Member in investigation, settlement discussions and all levels of litigation arising out of any claim made against the Member within the scope of indemnity provided by the Trust.

(f) Each Member agrees that in the event of the payment of any loss by the Trust under this contract, the Trust shall be subrogated to the extent of such payment to all the rights of the Member against any person or other entity legally responsible for damages for said loss, and in such event the Member hereby agrees to render all reasonable assistance to effect recovery.

(g) The Trustees of the Trust agree to defend in the name of and on behalf of the Member any suits or other proceedings which may at any time be instituted against the Member on account of injury or death which occurred during the period of membership within the scope of New York Workers' Compensation Law. Outstanding reserves and loss fund requirements shall be considered Trust, and not Trustees', funds. All other funds shall be considered Trustees' funds. Trustees' funds may be used by the Trustees for any purpose they deem necessary to perform the purposes and functions of this Agreement and for the protection and preservation of the Trust. Any excess Trustees' funds remaining after provision has been made for all obligations under the Workers' Compensation Law and this Agreement may be distributed to the Members at the discretion of the Trustees in accordance with the terms of this Agreement and the Declaration of Trust.

(9) The Trustees are authorized to annually set aside from the contributions collected a reasonable sum to cover the operational and administrative expenses. This sum shall include the cost of excess insurance, the Program Administrator's and Third Party Administrator's fees and the operating costs of the Trust. All remaining funds coming into their possession during any one fiscal year shall be used for the following purposes:

(a) Payments of those benefits provided by the New York Workers' Compensation Law and also legal fees and costs in all contested cases.

(b) Payment of assessments as required by the New York Workers' Compensation Law.

(c) Payment of cost of all bonds and audited expenses required of the Trust or its agents by the Workers' Compensation Board.

(d) All other investments, uses or payments as authorized by this Agreement, the Declaration of Trust and the By-laws of the Trust.

(e) Distribution of any excess monies to Members in such manner as the Trustees shall deem to be equitable, pursuant to this Article; provided, however, that no such distribution shall be made earlier than twelve (12) months after the end of each year, except that excess monies not
needed to satisfy the loss fund requirements as established by the aggregate excess contract and surplus monies not needed to satisfy the administrative fund requirements (such as Trustees' Funds) may be refunded immediately after the end of the Trust year; provided further, that undistributed excess funds from previous Trust years may be distributed at the discretion of the Trustees at any if not required for reserves.

(1) The Trust shall operate on a fiscal year of twelve (12) calendar months ending on October 31 of each year. Execution of this Agreement by each Member, when approved and accepted in writing by the Trustees or their designee, shall constitute a continuing contract for each succeeding fiscal period unless canceled by the Workers' Compensation Board or the Trustees or unless the Member shall have withdrawn or otherwise been terminated from the Trust.

(11) The Members jointly and severally covenant and agree that there will be no disbursement by way of dividends or distribution of accumulated reserve to Members until after provision has been made for all obligations under the Workers' Compensation Law against the Trust and except at the discretion of the Trustees.

Any Member who applies for membership and is accepted by the Trustees shall thereupon become a party to this Agreement and be bound by all of the terms and conditions hereof. Approval by the Trustees is conditioned upon the truth and accuracy of the information and financial data furnished on the Member's application. Approval of the application shall be endorsed upon this Agreement.

This Agreement shall be binding on and inure to the benefit of the parties' successors and assigns.

The undersigned Member warrants and represents, and agrees to provide the opinion of the Member's counsel to the effect, that the execution, delivery and performance of this Agreement has been duly authorized by all requisite action of the Member, that the officer signing below on behalf of the Member has the requisite authority to execute and deliver this document and to bind the Member, and that the execution, delivery and performance of this Agreement will not conflict with or violate any provision of the Charter, Certificate of Incorporation, By-laws or other document governing the Member's affairs, any agreement, contract, indenture or other undertaking to which the Member is a party or by which it is bound or any applicable provision of law or rule or regulation of any governmental authority.

The undersigned Member acknowledges receipt of a copy of New York Workers' Compensation Law, Section 50 in effect on the date of execution of this Agreement and further acknowledges that it has been fully apprised of the joint and several liability that exists under the Trust's group self-insurance program. The undersigned Member agrees to all of the terms and conditions of this Agreement and of the Self-Insurance Agreement and Declaration of Trust.
IN WITNESS WHEREOF, we have hereunto set our hands and seals this __________ day of __________, 20__.

HEALTH CARE PROVIDERS
SELF-INSURANCE TRUST

Name of Subscribing Member

By: _______________ By: _______________
Authorized Signature Authorized Signature

STATE OF NEW YORK )
) ss.:
COUNTY OF

On this ____ day of __________, 20__, before me, the subscriber, personally appeared ________________ to me personally known, who, by me being duly sworn, did depose and say that _he is the __________________ of the corporation described in and which executed the within Instrument; that _he knows the seal of such corporation; that the seal affixed to said instrument is the seal of such corporation; that it was affixed by Order of the Board of Directors of such corporation; and that _he signed such Instrument by like Order.

STATE OF NEW YORK )
) ss.:
COUNTY OF

On this ____ day of __________, 20__, before me, the subscriber, personally appeared ________________ to me personally known, who, by me being duly sworn, did depose and say that _he is the __________________ of the corporation described in and which executed the within Instrument; that _he knows the seal of such corporation; that the seal affixed to said instrument is the seal of such corporation; that it was affixed by Order of the Board of Directors of such corporation; and that _he signed such Instrument by like Order.

________________________________

STATE OF NEW YORK )
) ss.:
COUNTY OF

On this ____ day of __________, 20__, before me, the subscriber, personally appeared ________________ to me personally known, who, by me being duly sworn, did depose and say that _he is the __________________ of the corporation described in and which executed the within Instrument; that _he knows the seal of such corporation; that the seal affixed to said instrument is the seal of such corporation; that it was affixed by Order of the Board of Directors of such corporation; and that _he signed such Instrument by like Order.

________________________________

STATE OF NEW YORK )
) ss.:
COUNTY OF

On this ____ day of __________, 20__, before me, the subscriber, personally appeared ________________ to me personally known, who, by me being duly sworn, did depose and say that _he is the __________________ of the corporation described in and which executed the within Instrument; that _he knows the seal of such corporation; that the seal affixed to said instrument is the seal of such corporation; that it was affixed by Order of the Board of Directors of such corporation; and that _he signed such Instrument by like Order.

________________________________

STATE OF NEW YORK )
) ss.:
COUNTY OF

On this ____ day of __________, 20__, before me, the subscriber, personally appeared ________________ to me personally known, who, by me being duly sworn, did depose and say that _he is the __________________ of the corporation described in and which executed the within Instrument; that _he knows the seal of such corporation; that the seal affixed to said instrument is the seal of such corporation; that it was affixed by Order of the Board of Directors of such corporation; and that _he signed such Instrument by like Order.
IN WITNESS WHEREOF, we have hereunto set our hands and seals this ______ day of __________, 20__.  

HEALTH CARE PROVIDERS  
SELF-INSURANCE TRUST  

Name of Subscribing Member  

By: ___________________________  
Authorized Signature  

By: ___________________________  
Authorized Signature  

STATE OF NEW YORK  
) ss.:  
COUNTY OF  

On this ___ day of __________, 20__, before me, the subscriber, personally appeared ___________________________ to me personally known, who, by me being duly sworn, did depose and say that he is the ___________________________ of the corporation described in and which executed the within Instrument; that he knows the seal of such corporation; that the seal affixed to said instrument is the seal of such corporation; that it was affixed by Order of the Board of Directors of such corporation; and that he signed such Instrument by like Order.  

STATE OF NEW YORK  
) ss.:  
COUNTY OF  

On this ___ day of __________, 20__, before me, the subscriber, personally appeared ___________________________ to me personally known, who, by me being duly sworn, did depose and say that he is the ___________________________ of ___________________________, which is the Program Administrator of the Health Care Providers Self-Insurance Trust; that he executed the within Agreement by and on behalf of such Program Administrator; and that his/her signature was affixed hereto pursuant to the order of, and in accordance with the authority conferred upon him by, the Board of Directors thereof.