



INDUSTRIAL COMMISSION OF **ARIZONA**

PARENT COMPANY GUARANTY

WHEREAS, _____ a _____ organized under the laws
(Parent Company Legal Name) (Parent Company Type)

of _____ (hereinafter "Parent"), is the _____ parent organization of
(Parent State of Incorporation) (Type of Parent)

_____, a _____ organized under the laws of
(Subsidiary Legal Name) (Subsidiary Company Type)

_____(hereinafter "Subsidiary"); and
(State of Incorporation)

WHEREAS, Subsidiary is making or has made application to the Industrial Commission of Arizona (hereinafter "the Commission") for authority to self-insure for its obligations under the Arizona Workers' Compensation Act, (hereinafter the "Act").

NOW THEREFORE, it is understood and agreed that:

1. In consideration of the Industrial Commission of Arizona authorizing the Subsidiary to self-insure for workers' compensation purposes under A.R.S. §23-961, and the Arizona Administrative Code, the Parent agrees to absolutely and unconditionally guarantee the prompt and punctual payment of all the workers' compensation obligations and liabilities of the Subsidiary under the Act.
2. This Guaranty shall cover and extend to all obligations and liabilities of the Subsidiary as a self-insurer under the Act for all industrial injuries, accidents, or diseases, including liability for incurred but not reported claims, reopened claims, rearranged claims, or denied claims that have been accepted with a date of injury that occurring during the period that the Subsidiary was authorized to self-insure in Arizona.
3. It shall not be necessary for the Industrial Commission to resort to other security or to exhaust its remedies against the Subsidiary, against any security, or to resort to property held as security before demanding the Parent pay the worker's compensation obligations and liabilities of the Subsidiary under the Act, the payment of which is herein guaranteed. All rights and remedies of the Industrial Commission of Arizona are cumulative to the full extent permitted by law.
4. The Parent guarantees the payment of the Subsidiary's incurred workers' compensation obligations and liabilities during its period of self-insurance authorization regardless of any disposition the Parent may make of the Subsidiary or of its assets. No change in the ownership of the Subsidiary, Parent, or of their assets shall operate to terminate or restrict this Agreement.
5. Parent shall promptly pay the obligations and liabilities of Subsidiary upon receiving written notice from the Industrial Commission that:
 - (a) Subsidiary has not fully complied with the provisions of the Act, or
 - (b) The Commission has determined that Subsidiary is impaired, or
 - (c) The Commission has assigned Subsidiary's claims under A.R.S. §23-966.



6. The insolvency or bankruptcy of the Subsidiary or the revocation or termination of the Subsidiary's self-insurance authority shall not relieve Parent of its liabilities sustained during the term of this Guaranty.
7. Failure of the Parent to promptly pay all obligations arising hereunder, or to comply with any term, condition, or provision of this Guaranty constitutes a breach of this Guaranty. All obligations arising hereunder, whether presently owing or prospective on the date of the breach, become due and owing as of the date of the breach of this Guaranty.
8. The Parent shall notify the Industrial Commission of any material change including the sale, acquisition, or corporate restructure, affecting the Parent or the Subsidiary, within 30 days of the effective date of any change.
9. The Industrial Commission's authorization to the Subsidiary to self-insure its worker's compensation obligations in Arizona is expressly conditioned on the continued existence of this Guaranty.
10. This Guaranty is made in Arizona and shall be governed by, construed, and enforced in accordance with the laws of the state of Arizona. The Parent acknowledges and agrees that the Arizona courts have personal jurisdiction over the Parent in any action relating to or arising from this Guaranty.
11. This Guaranty shall remain in full force and effect unless terminated in the manner hereinafter provided. No change in Arizona law, in the Act, or in the rules, practices, or organization of the Industrial Commission of Arizona shall relieve or restrict the Parent's obligations to administer the workers' compensation liabilities of the Subsidiary.
12. This Guaranty cannot be terminated unless the Parent submits satisfactory evidence to the Commission establishing the Parent no longer has parental or affiliate relationship in the Subsidiary, and the Subsidiary has obtained workers' compensation insurance coverage, the Subsidiary is covered under another self-insurance program authorized under A.R.S. §23-961(A) and the Arizona Administrative Code, or that Subsidiary is no longer conducting business in Arizona. In the event of termination of this Guaranty, it is expressly understood and agreed the Parent shall continue to guarantee payment of all of subsidiary's workers' compensation obligations and liabilities incurred during its period of self-insurance authority, up to the effective date of the termination of this Guaranty.
13. The Parent may terminate this Guaranty by providing written notice to the Industrial Commission of Arizona via overnight courier. Termination is not effective until the Industrial Commission notifies the Parent in writing that this Guaranty is terminated. The written notice of termination issued by the Industrial Commission will specify the effective date of the termination, and the effective date will be no more than 60 days after the Commission receives the written request from the Parent stating the Parent seeks to terminate this Guaranty.
14. This Guaranty shall be binding upon the Parent, its successors and assigns.

Parent Company Legal Name

Officer Name and Title

By: _____
Officer Signature

Date

Parent Company Secretary Name

By: _____
Parent Company Secretary Signature

Date