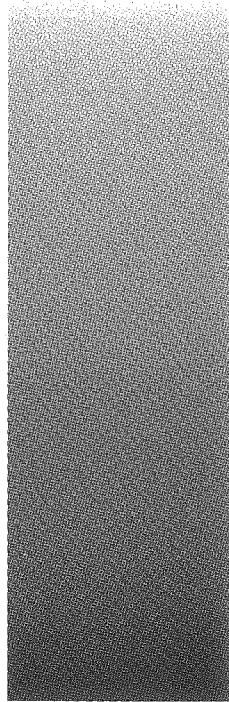


NY Transportation
Workers' Compensation Trust

Membership Application



How to Complete Your Application

Thank you for choosing **NY Transportation Workers' Compensation Trust** for your workers' compensation coverage. Enclosed you will find the information and forms necessary to complete your application.

Please read the instructions carefully and complete the five steps. The requested information should be returned to First Cardinal Corporation immediately along with your deposit check. It is important that ALL information requested is completed accurately. Missing information will delay the issuance of your policy.

- Step 1** Sign and return the Agreement on (page 5). The remainder of the document should be retained for your files.
- Step 2** Sign and return the Participation Agreement on (page 9).
- Step 3** Review the Executive Officer Exclusion form (page 7) to determine if you will waive coverage for officers.
- Step 4** Transpose the Experience Modification Authorization letter (page 15) onto your letterhead allowing First Cardinal Corporation to obtain your Experience Rating Sheets.
- Step 5** Refer to (page 11) to complete the "Application for Participation in Group Self Insurance Plan". A sample of a completed form is on page 13 for your reference. The accurate completion of this form is crucial as it notifies the Workers' Compensation Board that you have changed coverage. Important: Please **SIGN** the top back page of the application. *Do NOT fill out the section under Certification by Group Self Insurer.*
- Step 6** Include your deposit check of \$_____ made out to:
NY Transportation Workers' Compensation Trust
- Step 7** Please forward all perforated forms and deposit check to:

First Cardinal Corporation
10 British American Blvd.
Latham, NY 12110
1-866-850-COMP (2667)

Thank you for taking the time to fill out this application accurately.
The Indemnity Agreement should be retained for your files.

Indemnity Agreement

of the NY Transportation Workers' Compensation Trust

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Indemnity Agreement

of the NY Transportation Workers' Compensation Trust

THIS AGREEMENT is made as of the 1st day of December 2000, by and between the NY Transportation Workers Compensation Trust (the "Trust") and the undersigned employer located in the state of New York (the "Member").

WHEREAS, the Trust has applied to the Workers' Compensation Board (the "Board") for a certificate of approval to operate as a workers' compensation trust under Section 50, subd. 3-a, of the New York Workers' Compensation Law (the "Statute"); and

WHEREAS, the Member desires to become a member of the Trust to obtain coverage for workers' compensation benefits and employer's liability.

NOW, THEREFORE, in consideration of the mutual covenants and premises herein contained, the Trust and the Member agree as follows:

1. **Definitions.** For the purposes of this Agreement, the following terms shall have the following meanings:

Administrative Expense Fund Surplus means the allocated administrative expense fund including interest earned thereon which shall accrue to the benefit of the Trust in a Fund Year in excess of the amount necessary to fund all Administrative Expenses of the Trust.

Administrative Expenses means all payments to a management company made pursuant to an Administration Agreement between the Trust and the management company as in effect during the Fund Year as well as payments for reinsurance, security deposits, taxes, accounting and actuarial reviews, non-claims-related legal work, investment management, outside consultants, or any other related expenses for the Fund Year.

Aggregate Surplus means the aggregated Member's Surplus for all Members of the Trust plus other unearned income of the Trust.

Application and Indemnity Agreement means each Application and Indemnity Agreement entered into between the Trust and a Member and, collectively, all such Application and Indemnity Agreements as from time to time in effect, whether before or after the date of adoption of the bylaws of the Trust.

Charter Member means one of the original Members of the Trust, as defined in the Trust Document of the Trust.

Claims Fund Surplus means the allocated claims fund including interest earned thereon which shall accrue to the benefit of the Trust in a Fund Year in excess of the amount necessary to fund all claims of the Trust, including but not limited to adequate contingency reserves, for such Fund Year.

Contribution means a payment to the Fund made by a Member in response to an invoice in accordance with the Trust's Bylaws, the Application and Indemnity Agreement, or any other rules, regulations, policies, and procedures pursuant to incident thereto. Without limiting the generality of the foregoing, Contributions shall consist in part of required premium payments and other payments made by Members to cover the costs of purchasing excess insurance, establishing and maintaining a claims fund account, and establishing and maintaining an administrative fund account.

Deficit Amount means the amount by which the sum of the Member's Incurred Claims plus the Member's pro rata share (based upon the Member's share of aggregate Net Premium paid by all Members of the Trust) of the Administrative Expenses exceeds the Member's Net Premium.

Final Contributions means the aggregate Contributions owed by all Members in each Fund Year to the Trust after adjustments to Contributions due to payroll audits.

Fund means the sum of all Contributions made by Members pursuant to the Trust Bylaws, the Application and Indemnity Agreement, and any rules, regulations, policies, and procedures pursuant or incident thereto; all monies, contracts, policies, or properties received by the Board of Trustees of the Trust from the Members for the uses and purposes set forth in the Trust's Bylaws, the Application and Indemnity Agreements, and any rules, regulations, policies, and procedures pursuant or incident thereto; and all income, gains, and all other increments of any nature whatsoever therefrom.

Fund Year means a period of twelve (12) consecutive months identified by the Board of Trustees of the Trust. The initial Fund Year shall commence on December 1, 2000, and end on December 31, 2001, and each subsequent Fund Year shall commence on January 1 and end on December 31 unless otherwise provided by the Board of Trustees of the Trust. A Fund Year may be a period of greater or fewer than twelve (12) months if it is the first or last such year of the Fund or a year involving a change in the commencement or termination date of the Fund Year. The Fund Year and the Fiscal Year shall be the same.

Incurred Claims means all medical, indemnity, legal, investigative, and other related expenses on all reported claims and all incurred but not reported claims as determined by the actuary for the Fund Year.

Net Contributions means actual Contributions paid in each Fund Year by each Member to the Trust modified by the experience modification factor (as calculated according to the NCCI experience modification formula) less the Discount Amount. Final Contributions may be greater than the aggregate Net Contributions of all of the Members.

2. **Representation and Warranty by the Member.** The Member represents and warrants that he/she is Involved in The Transportation Industry that falls in one of the following predominant Classification Codes of Employee and/or one of the following Standard Industrial Classification Codes:

Classification Codes

4000	Sand or Gravel Digging & Drivers
7219	Trucking: NOC All Employees & Drivers
7380	Drivers NOC
7590	Garbage Works
8018	Wholesale NOC-Predominate Driving Exposure
8264	Bottle Dealer - Used & Drivers
8350	Gasoline Dealer & Drivers
8353	Gas Dealer - L.P.G & Drivers
8745	News Agent or Distributor of magazines or Other

- Periodicals – Not Retail
 8751 Route Salesperson
 9403 Garbage, Ashes, Refuse Collection & Drivers

Standard Industrial Classification Codes

- 3273 Ready Mix Concrete
 4212 Local Trucking Without Storage
 4213 Trucking, Except Local
 4214 Local Trucking With Storage
 4215 Courier Services, Except by Air
 4221 Farm Product Warehousing & Storage
 4222 Refrigerated Warehousing & Storage
 4225 General Warehousing & Storage
 4226 Special Warehousing & Storage, NEC
 4231 Terminal & Joint Terminal Maintenance
 Facilities for Motor Freight Transportation
 4922 Natural Gas Transmission & Distribution
 4923 Natural Gas Distribution
 4924 Mixed, Manufactured, or Liquefied Petroleum
 Gas Production and/or Distribution
 4941 Water Supply
 4952 Sewerage Systems
 4953 Refuse Systems
 4959 Sanitary Services, NEC
 4961 Steam & Air Conditioning Supply
 5983 Fuel Oil Dealers
 5984 Liquefied Petroleum Gas(Bottled Gas) Dealers
 5989 Fuel Dealers, NEC
 5000-5199- If they have over 2 vehicles

3. Conditions Precedent to Effectiveness of Agreement. This Agreement shall not be effective unless and until (a) the Trust receives from the Board, prior to December 1, 2000, a certificate of approval as a workers' compensation self-insurance trust under the Statute, (b) the Trust obtains reinsurance affecting the coverage described in the Trust's certificate of coverage, (c) the Trust determines that it will be financially viable, and (d) the administrator of the Trust (the "Administrator") accepts on behalf of the Trust the Member's application to become a member of the Trust which application must then be approved by the Board of Trustees of the Trust.

4. Bylaws, Rules, Regulations, Policies, and Procedures. The Member shall abide by the Trust Document, Bylaws, and any other rules, regulations, policies, and procedures adopted by the Trust from time to time.

5. Coverages. Upon the later of (i) the date of the Member's application for coverage has been approved by the Administrator and the Board of Trustees of the Trust or (ii) the date upon which all conditions precedent to the effectiveness of this Agreement, as set forth in Section 3, above, have been satisfied, the Trust agrees to provide the Member with the risk management services described in Section 11 of this Agreement and workers' compensation and employers' liability coverage as described in the Trust certificate of coverage. The Member agrees to pay the Contributions, assessments, and entry fee, if any, as provided herein, for such services and coverage and all costs of collection thereof, including attorneys' fees.

6. Payroll Classification. The member shall furnish to the Administrator not less than thirty (30) days before coverage is to be provided an annual estimated payroll by job classification. This estimate shall be adjusted annually by the Administrator at the end of each Fund Year to reflect the actual current payroll on the books of the Member. The Member agrees to pay

promptly any additional Contribution which results from this annual adjustment or any audit of such Member's payroll records upon receipt of an invoice from the Administrator. If following the retirement of any Deficit Amounts there exists a Claims Fund Positive Balance or an Administrative Expense Fund Surplus, the Claims Fund Positive Balance or Administrative Expense Fund Surplus, as the case may be, shall be dealt with in accordance with the provisions of Section 13. The Trust reserves the right to conduct an annual audit, or cause its Administrator or designee to conduct an annual audit, of the payroll records of the Member, and the Member hereby agrees to submit to such annual audit when requested to do so by the Trust.

7. Contributions. a. The Member agrees to pay its Contributions for the initial Fund Year, commencing on December 1, 2000 in accordance with the payment plan approved by the Board of Trustees of the Trust. If the Member becomes a member of the Trust on a date other than at the beginning of a given Fund Year, it agrees to pay its pro rata Contribution for the remainder of the Fund Year on or before its initial date of coverage, with the amount of such Contribution to be specified by the Administrator, with the rates in effect at the time of the coverage.

b. The Trust shall establish a Payment Plan. The Trust, acting through its Board of Trustees, reserves the right to amend the Payment Plan from time to time in its sole discretion, and the Member agrees to adhere, abide by, and conform to the provisions of the Payment Plan as the same may be amended.

c. The Member understands that there may be interim rate adjustments approved by the Trustees and agrees to pay additional Contributions resulting therefrom. The Member also agrees to pay additional Contributions to the Trust as determined by the Board of Trustees of the Trust based upon recommendations of the Administrator in accordance with the bylaws or rules and regulations of the Trust or a vote of the Board of Trustees of the Trust or as otherwise required by law.

d. The Member agrees to execute necessary authorization forms permitting the Trust or its Administrator or designee to obtain information and data required in determining the experience rating modification of the Member and authorizing the Trust, or its Administrator or designee, to file with the appropriate authorities, loss and payroll data pertaining to the Member to be used to develop the Member's experience rating modification.

e. If, following the annual adjustment referenced in Section 7, a Deficit Amount exists for the Members but an Aggregate Surplus exists for the Trust for the Fund Year in question, then the Deficit Amounts for all Members shall be aggregated and the Aggregate Surplus shall be applied to the aggregated Deficit Amounts. If, following the application of the Aggregate Surplus, aggregated Deficit Amounts still exist for the Members, then the Members shall pay an additional premium assessed pursuant to the provisions of Section 8(c) and assessed pro rate based on the Net Contribution of each Member. If the Members fail to make the required payments, then the aggregated Deficit Amounts shall be made up immediately with the Aggregate Surplus from a prior Fund Year or the Members shall be subject to automatic assessment without further action by the Trust. In the event an individual Member fails to pay any premium, assessment, or other contribution to the Trust when due, the Members of the Trust shall be subject to automatic assessment without further action by the Trust. These obligations with respect to the Fund Year in question

shall survive termination of this Agreement and any termination of the Member's membership in the Trust.

f. If, following the annual adjustment described in Section 7 and following the retirement of any Deficit Amount, there exists a Claims Fund Surplus or an Administrative Expense Fund Surplus, this Claims Fund Surplus or Administrative Expense Fund Surplus, as the case may be, shall be dealt with in accordance with the provisions of Section 12.

8. **Entry Fee for New Members.** The Member agrees to pay the Trust a single entry fee, if any, in an amount determined by the Trust's Board of Trustees.

9. **Excess Insurance.** The Trust agrees to maintain with qualified underwriters excess insurance coverage as determined by the Board of Trustees of the Trust.

10. **Risk Management Programs.** The Trust, through its Administrator, will provide risk management programs to the Member designed to assist the Member in following a plan which may result in reduced losses and costs. The Member agrees to cooperate in instituting any and all such risk management programs. Notwithstanding the Trust's and Administrator's responsibility for the risk management programs, the Trust and the Administrator assumes no responsibility for and are in no way ensuring the safety of the workplace of the Member.

11. **Claims.** The Trust, through its Administrator or designee, agrees (a) to administer, investigate, adjust, settle, and pay all of the workers' compensation claims and such other liabilities as are defined in the certificate of coverage issued to the Member after notice of injury has been given and proof of liability has been established, (b) to prepare all required forms, and (c) to provide a defense if required. The Trust, through its Administrator or designee, shall carry on all negotiations with the injured employee or his/her attorney and negotiate settlements. If a personal appearance by an employee or employees of the Member is necessary in any dispute, the expense of such appearance shall be paid for by the Member. The Trust, through its Administrator or designee, shall retain and supervise legal counsel necessary for the prosecution or defense of any litigation on behalf of and at the expense of the Trust. The Member agrees to cooperate fully by supplying any information needed or helpful to defend such action. The Trust, through its Administrator or designee, shall retain and supervise legal counsel necessary for the prosecution or defense of any litigation on behalf of and at the expense of the Trust. The Member agrees to cooperate fully by supplying any information needed or helpful to defend such action. The Trust, through its Administrator or designee, agrees to provide monthly to the Member a computer printout showing a statement of claims, claims status, and activities report.

12. **Refund or Credit Plan.** Any Claims Fund Surplus resulting from overall loss experience of the Trust shall be available as a return of Contribution or to be taken into account in establishing the Contribution in subsequent years in accordance with a Refund or Credit Plan as adopted and amended from time to time by the Board of Trustees of the Trust. In addition, any Administrative Expense Fund Surplus will be available as a return of Contribution or will be taken into account in establishing individual policy Contributions in subsequent years in accordance with such Refund or Credit Plan.

13. **Notice.** All notices hereunder shall be in writing and shall be delivered or sent by registered or certified mail, postage prepaid, return receipt requested, or by recognized overnight courier to the Trust at the address of the Administrator set forth

below and to the Member at its address shown on the Trust's records.

14. **Reapplication.** A member which withdraws from the Trust pursuant to the Trust Document and Bylaws of the Trust may not reapply for membership in the Trust for a period of at least one (1) year from the effective date of such withdrawal.

15. **Indemnity Agreement.** Although recourse for any and all payments of workers' compensation and employers' liability benefits covered by the Trust's certificate of coverage to a member shall first be made to the Trust's assets (but not the individual assets of any member of the Trust), the Member understands, acknowledges, and agrees that the Member is jointly and severally liable for the workers' compensation and employers' liability obligation of the Trust and its members which were incurred during the Member's period of membership in the Trust, irrespective of the subsequent termination of such Member's membership in the Trust, of the insolvency or bankruptcy of another member of the Trust, or of other facts or circumstances. This Section 5 shall survive termination of this Agreement and any termination of the Member's membership in the Trust.

16. **Termination of Coverage and Membership.** This agreement and member's membership in the Trust and Coverage thereunder may be terminated by the Board of Trustees of the Trust for failure to comply with the terms of this Agreement or the Trust Document, the bylaws, rules, regulations, policies, or procedures of the Trust including, but not limited to, the failure to pay Contributions. The condition of default and termination shall be in accordance with the terms and conditions of the Trust Document and Bylaws of the Trust. The Member may withdraw its membership and coverage at the end of a Fund Year by giving the Administrator prior written notice of its intention to withdraw at least ninety (90) days in advance of the end of a Fund Year. Withdrawal shall be effective at the close of the Fund Year in which notice was received.

17. **General.** This Agreement shall be construed under and governed by the laws of the state of New York and is being executed as an instrument under seal. This Agreement may not be assigned by the Member without the prior written consent of the Trust. Failure of either party to enforce a right under this Agreement shall not act as a waiver of that right or the ability to late assert that right relative to the particular situation involved or to terminate this Agreement arising out of any subsequent default or breach. Headings included herein are for convenience only and shall not be used to construe this Agreement.

SCHEDULE 1

Assessment Plan

In the event that the Trust incurs a Deficit in any Fund Year, such Deficit shall be made up immediately. If such a deficit exists, the Members shall pay an additional Contribution assessed pursuant to the provisions of Section 7(c) of the Indemnity Agreement and assessed pro rate based on the Net Contribution of each Member. If the Members fail to so act, then the aggregated Deficit Amounts shall be made up immediately with the Aggregate Surplus from a prior Year Fund or the Member shall be subject to automatic assessment without further action by the Trust. In the event an individual Member fails to pay any Contribution, assessment, or other contribution to the Trust when due, the Members of the Trust shall be subject to automatic assessment without further action by the Trust. These obligations with respect to the Fund Year in question shall survive termination of this Agreement and any termination of the Member's membership in the Trust.

ON THE BASIS of the foregoing, the undersigned Member applies for membership in the Trust and agrees to be bound hereby if accepted as a Member of the Trust.

PARTICIPATING MEMBER:

(Print name)

(Signature of authorized official)

Title: _____

This Membership is accepted and the foregoing is agreed to as of this ____ day of _____.

NY Transportation Workers' Compensation Trust

By: _____

Title: _____

Address: c/o First Cardinal Corporation
 10 British American Blvd.
 Latham, NY 12110

▼ Please fold, tear along perforation and return ▼

NY Transportation Workers' Compensation Trust

NOTICE OF ELECTION OF A CORPORATION which is required to have coverage for its employees under the New York Workers' Compensation Law to exclude the sole shareholder-officer or two (2) executive officers of the corporation from such coverage pursuant to Chapter 147 of the laws of 1983 and Chapter 446 of the laws of 1986.

TAKE NOTICE that under the provisions of Section 54, subdivision 6, of the New York Workers' Compensation Law as amended, the corporation name below elects to exclude the executive officer(s) named below from coverage under the New York Workers' Compensation Law with respect to all policies issued to the NY Transportation Workers' Compensation Trust.

Name of Corporation _____

Address _____

Incorporated Under the Laws of the State of _____

Executive Officers Excluded From Policy

Name

Title

Name

Title

I/We _____ certify that I/We am/Are the sole/two executive officer(s) of said corporation, having been duly appointed by corporate resolution.

Name of Corporation _____

By _____

Signature of Officer(s)

Date _____

Corporate Seal

PLEASE NOTE, you can only exclude executive officers if you have two (2) officers or less. The law does not allow you to exclude any officers if your corporate charter reflects more than two (2) officers.

▼ Please fold, tear along perforation and return ▼



NEW YORK STATE - WORKERS' COMPENSATION BOARD

GROUP SELF INSURANCE
PARTICIPATION AGREEMENT

This Agreement is entered into on this _____ day of _____ between

the NY Transportation Workers' Compensation Trust

and _____
(Name of Firm)

1. The Group Self Insured Trust accepts the Employer as a Participating Member, and agrees to provide coverage for all obligations of the Employer under the Workers' Compensation Law, pursuant to the terms and conditions of the Trust Agreement, Indemnity Agreement, Rules and Regulations and By-Laws of the Group Self Insured Trust.

2. The Employer agrees to become a Participating Member of the Group Self Insured Trust, and accepts all of the duties and obligations of membership pursuant to the terms and conditions of the Trust Agreement, Indemnity Agreement, Rules and Regulations and By-Laws of the Group Self Insured Trust.

3. In particular, the Employer understands, acknowledges and agrees that as a member of the Group Self Insured Trust, the Employer is jointly and severally liable for all obligations under the Workers' Compensation Law, of all Trust members, during the Employer's period of membership.

4. The Employer, by executing this document, attests that he/she has read the Trust Agreement, Indemnity Agreement, Rules and Regulations and By-Laws of the Group Self Insured Trust, and fully understands the duties and obligations for membership, including, but not limited to the following:

- the methodology utilized to determine member contributions;
- the annual adjustments to contributions;
- membership terms; must provide written notice to the administrator ninety (90) days prior to renewal in order to terminate your membership in the Trust

Now, therefore, the parties have signed this Participation Agreement on the date set forth above:

Authorized Signature for the Group Self-Insured Trust

Printed Name

Title

Date

Authorized Signature for the Employer

Printed Name

Title

Date

STATE OF NEW YORK
WORKERS' COMPENSATION BOARD

APPLICATION FOR PARTICIPATION IN GROUP SELF-INSURANCE PLAN

Submit this form to the Workers' Compensation Board, Attention: Self-Insurance Office

1. NAME OF EMPLOYER GROUP: NY Transportation Workers' Compensation Trust		
2. NAME OF EMPLOYER:		
3. DBA (if applicable):		
4. ADDRESS (Principle Office):		
5. FEDERAL EMPLOYER IDENTIFICATION NUMBER:	6. NYS U.I. EMPLOYER REGISTRATION NUMBER:	7. EFFECTIVE DATE OF PARTICIPATION:
8. NATURE OF BUSINESS:	STANDARD INDUSTRIAL CLASSIFICATION CODE (SIC)	
9. WHAT COMPANY NOW IS CARRYING YOUR COMPENSATION INSURANCE?		

Report full payrolls for all employees. Include interstate, maritime, homeworkers, value of meals and lodging, etc., received by employees and sub-contractors' employee's payrolls unless compensation is definitely provided by sub-contractors.

10. CLASS NO.	11. DIVISION OF OPERATIONS	12. ESTIMATED AVERAGE NUMBER OF EMPLOYEES	13. ESTIMATED PAYROLL OF ALL EMPLOYEES FOR ONE YEAR
TOTALS			

14. IF A CORPORATION...	(a) Enter date when incorporated	(b) Under laws of what State?	(c) If not a New York Corporation, enter date of registration in New York State / /
(d) Has applicant any affiliates or subsidiaries with operations in NYS? <input type="checkbox"/> NO <input type="checkbox"/> YES	(e) Did you succeed anyone? <input type="checkbox"/> NO <input type="checkbox"/> YES	If yes, whom did you succeed?	
(f) If a subsidiary, enter name and address of parent company.			
(g) Enter parent's percentage of stock ownership:			

15. IF A PARTNERSHIP... (a) Name all partners and designate whether they are General (G), Special (S), Limited (L), Other.

Name	G	S	L	Specify Other
(b) Enter date when partnership was established.				

16. IF A SOLE PROPRIETORSHIP.... Indicate home address of proprietor.

CERTIFICATION ON REVERSE SIDE TO BE COMPLETED BY AUTHORIZED OFFICIAL OR GROUP SELF-INSURER.

Please fold, tear along perforation and return

The undersigned hereby affirms, under the penalties of perjury, that (s)he is Title
of , the participating employer named above and that the foregoing
Name of Employer
statement is true.

Printed or Typed Name of Company Official	Signature	Date Signed / /
---	-----------	--------------------

CERTIFICATION BY GROUP SELF-INSURER

STATE OF NEW YORK

COUNTY OF , being duly sworn, says:
Name of Authorized Official

That (s)he is the of the **NY Transportation Workers' Compensation Trust**
Title Name of Employer Group

and is duly authorized to execute this affidavit of certification on behalf of said Group Self-Insurer.

That this EMPLOYER'S participation will continue to be effective until ten days after a written notice of termination is served on the EMPLOYER and filed with the Chair, Workers' Compensation Board, by the Self-Insurer.

That all employees of this EMPLOYER will be covered under the Workers' Compensation Law by the Group Self-Insurer.

Signature of Authorized Official

Sworn to before me this day of 20

Signature of Notary Public

FOR WORKERS' COMPENSATION BOARD USE ONLY

Approved
 Disapproved

Director of Licensing

Date

Please fold, tear along perforation and return

STATE OF NEW YORK
WORKERS' COMPENSATION BOARD

APPLICATION FOR PARTICIPATION IN GROUP SELF-INSURANCE PLAN

Submit this form to the Workers' Compensation Board, Attention: Self-Insurance Office

1. NAME OF EMPLOYER GROUP:

2. NAME OF EMPLOYER: XYZ Corporation

3. DBA (if applicable):

4. ADDRESS (Principle Office): Any Street, Albany, NY 12345

5. FEDERAL EMPLOYER IDENTIFICATION NUMBER: 12-1234567	6. NYS U.I. EMPLOYER REGISTRATION NUMBER: 12-12345-6	7. EFFECTIVE DATE OF PARTICIPATION:
--	---	-------------------------------------

8. NATURE OF BUSINESS: STANDARD INDUSTRIAL CLASSIFICATION CODE (SIC)
Briefly describe your business

9. WHAT COMPANY NOW IS CARRYING YOUR COMPENSATION INSURANCE?
name of previous insurance company

Report full payrolls for all employees. Include interstate, maritime, homeworkers, value of meals and lodging, etc., received by employees and sub-contractors' employee's payrolls unless compensation is definitely provided by sub-contractors.

10. CLASS NO.	11. DIVISION OF OPERATIONS	12. ESTIMATED AVERAGE NUMBER OF EMPLOYEES	13. ESTIMATED PAYROLL OF ALL EMPLOYEES FOR ONE YEAR
		please complete	
8810	Clerical Employees	40	1,200,000
8809	Executive Officers	5	380,000
TOTALS		45	\$1,580,000

14. IF A CORPORATION...

(a) Enter date when incorporated 1 / 1 / 89	(b) Under laws of what State? New York	(c) If not a New York Corporation, enter date of registration in New York State / /
--	---	--

(d) Has applicant any affiliates or subsidiaries with operations in NYS?
 NO YES

(e) Did you succeed anyone?
 NO YES

If yes, whom did you succeed?

(f) If a subsidiary, enter name and address of parent company.

(g) Enter parent's percentage of stock ownership:

15. IF A PARTNERSHIP... (a) Name all partners and designate whether they are General (G), Special (S), Limited (L), Other.

Name	G	S	L	Specify Other

(b) Enter date when partnership was established. / /

16. IF A SOLE PROPRIETORSHIP.... Indicate home address of proprietor.

CERTIFICATION ON REVERSE SIDE TO BE COMPLETED BY AUTHORIZED OFFICIAL OR GROUP SELF-INSURER.

The undersigned hereby affirms, under the penalties of perjury, that (s)he is

Vice President

Title

of XYZ Corporation

Name of Employer

, the participating employer named above and that the foregoing

statement is true.

Printed or Typed Name of Company Official

Robert Smith

Signature

Robert Smith

Date Signed

10 / 1 / 01

CERTIFICATION BY GROUP SELF-INSURER

STATE OF NEW YORK

COUNTY OF

, being duly sworn, says:

Name of Authorized Official

That (s)he is the

of the

Title

Name of Employer Group

and is duly authorized to execute this affidavit of certification on behalf of said Group Self-Insurer.

That this EMPLOYER'S participation will continue to be effective until ten days after a written notice of termination is served on the EMPLOYER and filed with the Chair, Workers' Compensation Board, by the Self-Insurer.

That all employees of this EMPLOYER will be covered under the Workers' Compensation Law by the Group Self-Insurer.

Signature of Authorized Official

Sworn to before me this

day of

20

Signature of Notary Public

FOR WORKERS' COMPENSATION BOARD USE ONLY

Approved

Disapproved

Director of Licensing

Date

PLEASE COMPLETE THIS LETTER
ON YOUR LETTERHEAD

New York Workers' Compensation
Rating Board
200 East Forty Second Street
New York, NY 10017

Dear Sir:

We are hereby requesting a "Rate Make Up" on our company. Please send this information directly to:

First Cardinal Corporation
10 British American Blvd.
Latham, NY 12110

Please bill their broker account directly. Your prompt reply in this matter is greatly appreciated.

Your Signature

NY TRANSPORTATION WORKERS' COMPENSATION TRUST AGREEMENT

THIS TRUST AGREEMENT is by and between the Participating Members and the Trustees of the NY Transportation Workers' Compensation Trust to enable the Participating Members to fund the costs of Workers' Compensation Coverage through a group self-insurance program as defined in and authorized by Section 50, subdivision 3-a of the New York Workers' Compensation Law. All participating members shall be limited to those entities involved in the transportation field. Each member of the trust shall provide services directly related to this field and have Standard Industrial Classification Codes and Predominant Classification Codes of employees listed in Schedule 2 of this document.

NOW, THEREFORE, the parties agree as follows:

Article I General Duties of the Parties

Section 1.1 General Duties of the Participating Members:

The Trust shall each contribute a proportionate share of funds to be held in trust for the payment of workers' compensation to their employees under the Workers' Compensation Law.

The Trust shall also place on deposit with the Chairman of the Workers' Compensation Board (hereinafter referred to as "Chairman") such securities as the Chairman may deem necessary of the kind prescribed in Subdivisions 1, 2, 3, 4, and 5 and paragraph (a) of Subdivision 7 of Section 235 of the Banking Law, or the deposit of cash, or the filing of irrevocable letters of credit issued by a qualified banking institution as defined by rules promulgated by the Chairman or the filing of a bond of a surety company authorized to transact business in this state in an amount to be determined by the Chairman, or the posting and filing as aforesaid of a combination of such securities, cash, irrevocable letters of credit, and surety bond in an amount to be determined by the Chairman to secure their liability to pay the compensation provided pursuant to the Workers' Compensation Law.

Section 1.2 General Duties of Trustee(s):

The Trustees shall have legal title to all assets received by them hereunder which, together with the income and gains therefrom and additions thereto, shall constitute the Trust Fund. The Trustees shall control, manage, invest, and reinvest the Trust Fund, collect the income thereof, and make payments therefrom, all as hereinafter provided.

ARTICLE II Investment, Administration, and Disbursement of Trust Fund

Section 2.1 Investment:

The Trust Fund may be invested in any property, real, personal, or mixed, wherever situate, and whether or not productive of income, including, without limitation, common and preferred stocks, bonds, notes, and debentures (including convertible stocks and securities but not including stock or securities of the Trustees, the Participating Members, or the approved claims management corporation or their respective affiliates), leaseholds, mortgages, certificates of deposit, demand or time deposits, shares of investment companies and mutual funds, interests in partnerships and trusts, insurance policies and contracts being limited to the classes or property in which trustees are authorized to invest trust funds by New York Law. Investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so in the sole judgment of the Trustees.

The investments shall, at all times, be in accordance with the Rules and Regulations of the New York State Workers' Compensation Board

Section 2.2 Administrative Powers of Trustees:

The Trustees shall have power in its discretion:

- To cause any investment to be registered and held in the name of one or more of its nominees, or one or more nominees of any system for the central handling of securities.
 - To collect and receive any and all money and other property due to the Trust Fund and to give full discharge therefor.
 - To settle, compromise, or submit to arbitration any claims, debts, or damages due or owing to or from the Trust (other than the claims which are the subject of the Trust) to commence or defend suits or legal proceedings to protect any interest of the Trust, and to represent the Trust in all suits or legal proceedings in any court or before any other body or tribunal.
 - Purchase Excess Insurance in accordance with the Workers' Compensation Board's Rules and Regulations
- (e) Generally to do all acts, whether or not expressly authorized, which the Trustees may deem necessary or desirable for the protection of the Trust Fund.

Section 2.3 Payments and Distribution from Trust Fund:

The Trustees shall make such payments and distributions from the Trust Fund at such time or times and to such person or persons, including a paying agent or agents designated by the Fund Administrator selected pursuant to the Bylaws of the Trust or the Fund Administrator as paying agent, as the Fund Administrator shall direct in writing. Any cash or property so paid or delivered to any paying agent shall be held in Trust by such payee until disbursed in accordance with the Trust. The Fund Administrator shall direct such payment by the Trustees only for Workers' Compensation Claims.

The Trustees may make any distribution or payment required to be made by the Trust hereunder by mailing its check for the specified amount or delivering the specified property to the person to whom such distribution or payment is to be made at such address as may have been last furnished to the Trustees, or, if no such address shall have been so furnished, to such person in care of the Fund Administrator, or (if so directed by the Fund Administrator) by crediting the account of such person or by transferring funds to such person's account by bank wire or transfer.

Section 2.4 Meetings of Trustees:

- At any meeting of the Trustees, a majority of the Trustees shall constitute a quorum. However, the lesser number when not constituting a quorum may adjourn the meeting from time to time until a quorum shall be present or represented.
- The affirmative vote of a majority of the entire number of Trustees shall be necessary for the transaction of any item of business at any meeting of Trustees at which a quorum is present. Any resolution in writing signed by all of the Trustees shall be and constitute action by such Trustees to the effect therein expressed with the same force and effect as if the same had been duly passed by unanimous vote at a duly called meeting of Trustees.

Article III

Section 3.1 Communications to Trustees:

Communications to the Trustees shall be sent to the Trustees' office or to such other address as the Trustees may specify. No communication shall be binding upon the Trust Fund or the Trustees until it is received by the Trustees except any correspondence from the New York State Workers' Compensation Board.

Section 3.2 Advice of Counsel:

The Trustees may consult with any legal counsel with respect to the construction of this Agreement, their duties hereunder, or any act which they propose to make or omit.

Section 3.3 Miscellaneous:

The Trustees shall discharge their duties hereunder with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Trustees shall not be liable for any loss sustained by the Trust Fund by reason of the purchase, retention, sale, or exchange of any investment in good faith and in accordance with the provisions of this Agreement and of any applicable law.

The Trustees' duties and obligations shall be limited to those expressly imposed upon it by this Agreement.

Article IV Taxes, Expenses, and Compensation of Trustees

Section 4.1 Taxes:

The Trustees shall file all such federal and state tax returns or reports as are required of them. The Trustees shall deduct from and charge against the Trust Fund any taxes on the Trust Fund or the income thereof.

Section 4.2 Expenses and Compensation:

The Trustees shall pay from the Trust Fund, to the extent not otherwise paid, its reasonable expenses of management and administration of the Trust.

Article V Statement of Accounts - Enforcement of Trust - Legal Proceedings

Section 5.1 Settlement of Accounts of Trustees:

The Trustees shall keep full accounts of all their receipts and disbursements. The financial statements, books, and records with respect to the Trust Fund shall be open to inspection by any participating member at all reasonable times during business hours of the Trustees and may be audited not more frequently than once in each fiscal year by an independent certified public accountant.

Within sixty (60) days after the close of each year or any termination of the duties of the Trustees, the Trustees shall prepare, sign, and mail to every Participating Member an account of its acts and transactions as Trustees hereunder. The account shall show the balance in the Trust Fund at the beginning of the period, current period contributions, and amount and nature of final payments, including a separate accounting for claims management, legal expenses, claims paid, etc., and the Fund balance.

The Trustees shall have the right to apply at any time to a court of competent jurisdiction for judicial settlement of any account of the Trustees not previously settled. In any such action or proceeding, it shall be necessary to join as parties only the Trustees (although the Trustee may also join such other parties as they may deem appropriate), and any judgment or decree entered therein shall be conclusive.

Article VI Trustees

Section 6.1 Trustees:

The Board of Trustees shall at all times consist of a number of individuals not to exceed the number of members of the Trust, and in no event shall it exceed eleven (11), of which 2/3 shall be affiliates of members of the Trust.

Each Trustee after those originally elected shall hold office for a period of two (2) years; the Trustees shall be divided into three classes, respectively designated as Class A, Class B, and Class C. Class A and B shall be composed of two (2) Trustees each, and Class C shall be composed of one (1) Trustee. The term of office of the initial Class A Trustees shall expire at the next annual meeting of the members, the term of office of the initial Class B Trustees shall expire at the second annual meeting, and the term of office of the initial Class C Trustee shall expire at the third annual meeting.

At each annual meeting of the members, Trustees shall be elected to hold office until the expiration of the term for which each is elected and until a successor has been elected and qualified.

At each annual meeting, each Participating Member shall have one vote and the nominee(s) receiving the greatest number of votes shall be elected to the positions to be filled.

Section 6.2 Resignation of Trustees:

Any Trustee may resign at any time by filing with the Trustees and the Participating Members its written resignation. Such resignation shall take effect sixty (60) days from the date of such filing or upon election of a successor pursuant to Section 6.3, whichever shall first occur.

Section 6.3 Removal of Trustee:

The Participating Members, by a vote of the majority, may remove a Trustee at any time by delivering to the Trustee a written notice of its removal and an appointment of a Successor Trustee. Such removal shall not take effect prior to sixty (60) days from such delivery unless the Trustee agrees to an effective earlier date.

Section 6.4 Election of Successor Trustee:

A Successor Trustee shall be elected by a vote of the members, pursuant to Section 6.1. Upon election, the Successor Trustee shall execute an acceptance in writing, acknowledged in the same form as this Agreement.

All of the provisions set forth herein with respect to the Trustees shall relate to each successor with the same force and effect as if such successor had been originally named as Trustee hereunder.

If a successor is not elected within sixty (60) days after the Trustee gives notice of its resignation pursuant to Section 6.2, the Trustees may apply to any court of competent jurisdiction for appointment of a successor.

Section 6.5 Transfer of Fund to Successor:

Upon the resignation or removal of the Trustee and election or appointment of a successor, and after final account of the Trustee has been settled as provided in Article V, the Trustee shall transfer and deliver the Trust Fund to such successor.

Article VII

Section 7.1 Member Liability:

All members participating in this Trust are deemed to be jointly and severally liable for all workers' compensation and employer liability obligations incurred by the Trust.

An employer participating in this group self-insurance shall not be relieved from the liability for compensation prescribed by New York State Workers' Compensation Law except by the payment thereof by the group self-insurer or by itself. As between the employee and the group self-insurer, notice to or knowledge of the occurrence of the injury on the part of the employer shall be deemed notice or knowledge, as the case may be, on the part of the group self-insurer.

The jurisdiction of the employer shall, for the purpose of this Agreement, be the jurisdiction of the group self-insurer and such group self-insurer shall in all things be bound by and subject to the orders, findings,

decisions, and awards rendered against the participating employer for the payment of compensation under the provisions of the Workers' Compensation Law.

The insolvency, bankruptcy or termination of a participating employer shall not relieve the group self-insurer from the payment of compensation for injuries or death sustained by an employee during the time the employer was a participant in such group self-insurance.

The group self-insurer shall promptly notify the Chairman, on a prescribed form, of the addition or termination of any participating employer or employers. Notice of termination of a participating employer shall not be effective until at least thirty (30) days after notice of such termination, on a prescribed form, has been either filed in the office of the Chairman or sent by certified or registered letter, return receipt requested, and also served in like manner upon the employer.

Section 7.2 Acceptance of New Members:

Membership shall be effective upon acceptance by the Board of Trustees by a majority vote, acceptance by the Workers' Compensation Board, and payment by the applicant of any entry fee, if required, by the Board of Trustees. The Bylaws of Trust shall establish the eligibility requirements for members and, in conjunction with this Article, the requirements for the continuation of their membership.

Section 7.3 Duration of Membership

Membership shall be continuous unless or until terminated or withdrawn, provided, however, that a member may resign and withdraw from the Trust only as of the end of the fiscal year of the Trust, and only upon written notice to the Board of Trustees received at least ninety (90) days before the proposed date of resignation.

The Board of Trustees may terminate the membership of any Participating Member upon the occurrence of any of the following:

1. Failure to abide by every term and condition of this Trust Agreement.
2. Failure to abide by any rule or regulation promulgated by the New York State Workers' Compensation Board.
3. Insolvency or bankruptcy of a Participating Member.
4. Failure to cooperate with any attorney, actuary, or claim agent involved with this Trust.
5. Failure to make timely payment to the Trust Fund. If payment is not received by the first of the month, the following will occur:
 - a. A thirty (30) day notice of termination will be mailed to the Chief Executive Officer;
 - b. If at the end of thirty (30) days payment is not received, a ten (10) day termination letter will be mailed;
 - c. On the tenth day, coverage will cease.

Upon default by any member, the Trust reserves the right to collect, by civil action, the amount due and owing to the Trust.

Each and every Participating Member agrees to keep a true and accurate record of the number of employees and the wages paid, and the member also agrees to furnish, upon demand, a sworn statement of the same. Such record shall be open to inspection at any time and as often as may be necessary to verify the number of employees and the amount of payroll.

Article VIII

Section 8.1 Duration and Termination of Trust:

This Trust shall continue for such time as may be necessary to accomplish the purpose for which it was created, but it is a revocable trust and may be terminated at any time by a three-quarters concurrent of all the participating members. Notice of such termination shall be given to the Trustees by an instrument in writing executed by at least three-quarters of the Participating Members.

Once the Trust's status as a group self-insurer under the Workers' Compensation Law is terminated, the securities or cash or the surety bond on deposit referred to herein shall remain in the custody of the Chairman for a period of at least twenty-six (26) months. At the expiration of such time or such further period, if all claims have been finally adjudicated and fully paid, and all expenses and assessments regulated by law have been paid, or as the Chairman may deem proper and warranted, he may accept in lieu thereof, and for the additional purposes of securing such further and future contingent liability as may arise from prior injuries to workers and be incurred by reason of any change in the condition of such workers warranting the Board making subsequent awards for payment of additional compensation, a policy of insurance furnished by the group self-insurer, its successor or assigns, or others carrying on or liquidating such self-insurance group. Such policy shall be in a form approved by the Superintendent of Insurance and issued by the State Insurance Fund or any insurance company licensed to issue this class of insurance in this state.

Section 8.2 Distribution Upon Termination

Upon Termination, the Trustees shall maintain a Termination Reserve Fund, in an amount to be determined pursuant to the Workers' Compensation Law, to pay any and all obligations under the compensation law which may arise from events which occurred during the period of the NY Transportation Workers' Compensation Trust self-insurance program. While maintaining such Termination Reserve Fund, the Trustees shall possess all duties and powers specified in this Agreement. Upon termination of the Trust, the Trustees shall obtain a determination of the adequacy of the Fund balance as of the date of termination from an independent actuary, insurance company, or broker. Based upon such determination of adequacy, the Trustees shall take such action as may be appropriate under the circumstances concerning the disposition of the Trust Fund. The Trustees shall have its final account settled, and after divesting itself of the assets of the Trust Fund, the Trustees shall be relieved from all further liability.

Section 8.3 Amendment:

By an instrument in writing delivered to the members executed pursuant to the order of the Trustees, the Trustee shall have the right at any time and from time to time to amend this Agreement in whole or in part except that the duties and responsibilities of the members shall not be increased without the members' written consent. Any such amendment shall become effective upon (a) delivery to the members of the written instrument of amendment and (b) endorsement by the members on such instrument of its receipt thereof, together with its consent thereto; if such consent is required. The Chairman of the Workers' Compensation Board will be notified in writing within 10 days of the following:

- Change of Trustees
- Change in Excess Insurance
- Change in Group Administrator
- Change in Claims Administrator
- Change in any and all documents

Article IX Miscellaneous

Section 9.1 Counterparts:

This Agreement may be executed and delivered in any number of counterparts, each of which, when so executed and delivered, shall be an original and all of such counterparts shall together constitute one and the same Agreement.

Section 9.2 Governing Law:

This Agreement and the Trust thereby created shall be construed and regulated by the Laws of the State of New York, except as such laws are superseded by Federal Law.

Section 9.3 Authorization to Execute Documents:

The Fund Administrator or any Trustee will handle all servicing or preparation of forms.

Article X

Section 10.1 Trust Acceptance:

The Trustees and the Participating Members hereby accept the Trust herein created.

TRUSTEES: (names and signatures on file)

Location of Trust: C/O First Cardinal Corporation
10 British American Blvd.
Latham, NY 12110

Schedule 1

Refund or Credit Plan. Any Claims Fund Positive Balance resulting from overall loss experience of the Trust shall be available as a return of Contributions or to be taken into account in establishing the Contribution in subsequent years in accordance with a Refund or Credit Plan as adopted and amended from time to time by the Board of Trustees of the Trust. In addition, any Administrative Expense Fund Surplus will be available as a return of Contribution or will be taken into account in establishing individual policy Contributions in subsequent years in accordance with such Refund or Credit Plan.

Schedule 2

The Member represents and warrants that he/she is Involved in The Transportation Industry that falls in one of the following predominant Classification Codes of Employee and/or one of the following Standard Industrial Classification Codes:

Classification Codes

- 4000 Sand or Gravel Digging & Drivers
- 7219 Trucking; NOC All Employees & Drivers
- 7380 Drivers NOC
- 7590 Garbage Works
- 8018 Wholesale NOC-Predominate Driving Exposure
- 8264 Bottle Dealer - Used & Drivers
- 8350 Gasoline Dealer & Drivers
- 8353 Gas Dealer - L.P.G & Drivers
- 8745 News Agent or Distributor of magazines or Other Periodicals - Not Retail
- 8751 Route Salesperson
- 9403 Garbage, Ashes, Refuse Collection & Drivers

Standard Industrial Classification Codes

- 3273 Ready Mix Concrete
- 4212 Local Trucking Without Storage
- 4213 Trucking, Except Local
- 4214 Local Trucking With Storage
- 4215 Courier Services, Except by Air
- 4221 Farm Product Warehousing & Storage
- 4222 Refrigerated Warehousing & Storage
- 4225 General Warehousing & Storage
- 4226 Special Warehousing & Storage, NEC
- 4231 Terminal & Joint Terminal Maintenance Facilities for Motor Freight Transportation
- 4922 Natural Gas Transmission & Distribution
- 4923 Natural Gas Distribution
- 4924 Mixed, Manufactured, or Liquefied Petroleum Gas Production and/or Distribution
- 4941 Water Supply
- 4952 Sewerage Systems
- 4953 Refuse Systems
- 4959 Sanitary Services, NEC
- 4961 Steam & Air Conditioning Supply
- 5983 Fuel Oil Dealers
- 5984 Liquefied Petroleum Gas(Bottled Gas) Dealers
- 5989 Fuel Dealers, NEC
- 5000-5199 If they have over 2 vehicles

First Cardinal

C O R P O R A T I O N

10 British American Blvd.
Latham, NY 12110

1-866-850-COMP (2667)

Administrators of



ALBANY • BOSTON • BUFFALO • LONG ISLAND • MANHATTAN
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