

# Unconditional and Continuing Guarantee

BY \_\_\_\_\_, parent corporation,

In the Matter of Self-Insurance of \_\_\_\_\_,

Subsidiary of said Guarantor under the Workers' Compensation Law of Ohio.

For one dollar and other valuable consideration, receipt of which is hereby acknowledged, and to encourage the Ohio Bureau of Workers' Compensation of (hereinafter called "Bureau"): to extend self-insuring status to the \_\_\_\_\_

\_\_\_\_\_ a subsidiary of \_\_\_\_\_

(hereinafter called "Guarantor"), undersigned Guarantor absolutely and unconditionally guarantees the prompt and punctual payment, when due, by acceleration or otherwise, of each obligation direct or indirect, now existing or hereafter created or acquired with respect to payments owed by the subsidiary under the workers' compensation laws of Ohio, together with all interest, charges, and penalties accruing thereon.

It shall not be necessary for the Bureau to resort to other security or to exhaust its remedies against the subsidiary or against any security or to resort to property held as security before calling upon the undersigned for payment of any obligations, the payment of which is herein guaranteed.

The terms of this agreement shall commence on the effective date of the subsidiary's self-insurance and shall continue in full force and effect until the self-insuring status of the subsidiary is cancelled by the Bureau or until the obligations owed by the subsidiary to the Bureau are satisfied, whichever is later.

The Guarantor hereby waives the following:

- A. Notice of acceptance of this agreement by the Bureau.
- B. Trial by jury and the right thereto in any action or proceeding of any kind, arising on, out of, under, or by reason of this Guaranty Contract, excepting those actions concerning the right of an employee or his dependents to participate or to continue to participate in the State Insurance Fund.

This Guaranty Contract is absolute, unconditional, and continuing, and shall not be affected by any act or thing whatsoever except that obligations owed by the subsidiary that commence after the date of the cancellation of self-insuring status of the subsidiary are exempt from the terms of this agreement.

The Guarantor represents that, at the time of the execution of this agreement, nothing exists to impair the effectiveness of the obligation of the Guarantor to the Bureau hereunder, or the immediate taking effect of this agreement as the sole agreement between the Guarantor and the Bureau with respect to the self-insurance of the subsidiary.

The Guarantor warrants that any financial statements which were submitted to the Bureau by the Guarantor or anyone in the Guarantor's behalf are true and correct and have been prepared

in conformity with generally accepted accounting principles and correctly reflect valid transactions and asset values and correctly reflect the financial condition of the Guarantor. The Guarantor warrants that there has been no material adverse change which has not been disclosed to the Bureau in the Guarantor's financial condition from that shown on the financial statements which have been submitted as inducement to the Bureau's acceptance of this agreement.

Failure of the Guarantor to promptly pay obligations arising hereunder constitutes a breach of this agreement. All obligations arising hereunder, whether presently owing or prospective on the date of the breach, became due and owing as of the date of the breach of this agreement.

All rights and remedies of the Bureau are cumulative to the full extent permitted by law.

At any time hereafter, upon ninety (90) days written notice from the Guarantor to the Bureau, the obligation of this agreement upon the Guarantor may be terminated as to all liabilities thereafter arising on account of any accident to any of the employees of the subsidiary company thereafter occurring or on account of any assessment against the subsidiary company.

This agreement shall be governed by and construed under the laws of the State of Ohio exclusive of its rules relating to the choice of laws.

IN WITNESS WHEREOF, the parties hereto have caused their signatures to be affixed hereto.

Executed at \_\_\_\_\_ City, State, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed or printed name

\_\_\_\_\_  
Title  
(corporate or notarial seal)

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Type or printed name

NOTE: THIS GUARANTY IS TO BE SIGNED BY AN AUTHORIZED OFFICER UNDER THE CORPORATE SEAL OF THE PARENT. IT MAY ALSO BE SIGNED BEFORE A NOTARY.