

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
Workers' Compensation Division
350 Winter Street NE
P.O. Box 14480
Salem, OR 97309-0405**

SURETY BOND

Bond number:

KNOW ALL BY THESE PRESENTS, THAT WE,

_____ with headquarters in the **CITY OF** _____

as Principal and _____,

an _____ Corporation authorized to transact surety business in Oregon, as "Surety," hereby jointly and severally bind ourselves, our respective heirs, executors, administrators, successors and assigns firmly by these presents unto the State of Oregon, as Obligee, for the use and benefit of all subject workers of the Principal, including subject workers of entities approved by the department for inclusion in and included in the Principal's self-insurance certification, and persons who may be entitled to compensation under the Workers' Compensation Law of the State of Oregon, and to the Department of Consumer and Business Services, Workers' Compensation Division, of the State of Oregon for any assessments, contributions or other obligations due from the Principal to the Department of Consumer and Business Services, Workers' Compensation Division, in the penal sum of:

_____ Dollars

(_____), lawful money of the United States, assigns jointly and severally, firmly by these presents.

Under this bond any failure, by any entity approved by the department for inclusion in and included in the Principal's self-insurance certification, to pay compensation or to pay any assessments, contributions or other obligations shall be considered a failure to pay by the Principal.

THE CONDITION OF THE (FOREGOING) OBLIGATION OF THIS BOND IS SUCH that if the Principal which is about to make application to become a certified self-insured employer or is a certified self-insured employer and desires to continue with self-insured status to carry its own risk, pays or causes to be paid: (a) all compensation for compensable injuries that may become due to subject workers and their beneficiaries of the Principal, including subject workers and their beneficiaries of all entities approved by the department and included in the Principal's self-insured certification; and (b) all assessments, contributions, and other obligations imposed on the Principal and the included approved entities and their subject workers that may become due from the Principal to the Department of Consumer and Business Services, Workers' Compensation Division under the Oregon Workers' Compensation Law, then this obligation shall be void; otherwise to remain in full force and effect. In the event the Principal fails to pay compensation that becomes due to any subject worker or beneficiary, or any assessments, contributions or other obligations that become due to the Department of Consumer and Business Services, Workers' Compensation Division under law, then the Surety will be obligated to pay the compensation, assessments, contributions, and other obligations. The liability of the

Surety shall not be affected by the Principal's failure to sign this bond. Nonpayment of the bond premium will not invalidate this bond nor shall the State of Oregon or the Department of Consumer and Business Services, Workers' Compensation Division of the State of Oregon be obligated for the payment of any premiums.

IT IS FURTHER UNDERSTOOD AND AGREED that the following conditions shall also apply to this surety bond:

1. The Surety undertakes and agrees that the obligation of this bond shall cover and extend to all past, present, existing, and potential liability of said Principal, as a certified self-insured employer, including the Principal's liability and obligations for all entities approved by the department for inclusion in the Principal's self-insured certification, to the extent of the penal sum herein named, without regard to specific injuries, date or dates of injuries, happenings, or events. It is provided, however, that this undertaking, and the obligation of this bond, shall apply only to worker's claims for compensation and to the department's claims for assessments, contributions or other obligations arising under the Workers' Compensation Law, that result from or arise out of an occurrence that takes place on or after: _____ through the date of termination of this surety bond or cancellation or revocation of the Principal's self-insurance certification. For the purpose of this paragraph, an occurrence is an event, circumstance, or exposure to conditions of any character that results in a compensable claim of any sort under the Workers' Compensation Law or which gives rise to an obligation to satisfy any assessments, contributions, or obligations under the Workers' Compensation Law.
2. In the event the Principal fails to pay compensation that becomes due to any subject worker or beneficiary covered by the Principal's self-insurance certification within ten (10) days after the same becomes or become due, or any assessments, contributions or other obligations that become due to the Department of Consumer and Business Services, Workers' Compensation Division under law, then the Surety will be obligated to pay the compensation, assessments, contributions and other obligations. The Surety shall forthwith pay to the extent of its liability under this bond, the Principal's liabilities and obligations as directed by the Department of Consumer and Business Services, Workers' Compensation Division, including reimbursement of payments the department has made or makes to parties entitled thereto, upon the order of the Department of Consumer and Business Services, Workers' Compensation Division.
3. If the Principal shall suspend payment or shall become insolvent or a receiver shall be appointed for its business, the undersigned Surety will be obligated to pay the compensation, assessments, contributions and other obligations, to the extent of its liability under this bond, before the expiration of ten (10) days after the same becomes due, as directed by the Department of Consumer and Business Services, Workers' Compensation Division, including reimbursement of payments the department has made or makes to parties entitled thereto upon the order of the Department of Consumer and Business Services, Workers' Compensation Division, without regard to any proceedings for liquidation of the Principal.
4. The undersigned are also held and firmly bound for the payment of all legal costs and expenses, including reasonable attorney fees incurred in any and all actions and proceedings taken to enforce payment of this bond, or payments of any award or judgment rendered against the undersigned Surety, on account of the Surety's execution of this bond.
5. By endorsement the parties may agree, subject to the approval of the Department of Consumer and Business Services, Workers' Compensation Division, to increase or decrease the penal sum of the bond, without impairing the obligation under this bond for the overall coverage of the Principal for all past, present, existing and potential liability, as a certified self-insured employer without regard to specific injuries, date or dates of injuries, happenings, or events from the date in condition No. 1 above, through the date of termination of this surety bond, cancellation or revocation of the Principal's self-insured certification to the extent, in the aggregate, of the penal sum as increased or decreased.

- 6. This surety bond may be terminated by the Surety by giving to the Director of the Department of Consumer and Business Services, Workers' Compensation Division, and the Principal written notice stating that on a date not less than thirty (30) days after the date the notice is received by the Director, such termination shall be effective. Such termination shall in no way limit the liability of Surety for subsequent defaults of the Principal's obligations incurred under the Workers' Compensation Law prior to the effective date of such termination. It is provided, however, that the liability of the Surety under this bond may be discharged in the event that: (a) the Principal files substitute surety, accepted by the Director as substitute surety for this surety bond, covering all past, present, existing and potential liability of the Principal under the Workers' Compensation Law in an amount required by the Director; and (b) this surety bond is released as documented in writing from the Department of Consumer and Business Services, Workers' Compensation Division.
- 7. The Surety's obligations under this surety bond shall not be affected by the existence, validity, enforceability, perfection or extent of any other security or collateral deposited or otherwise made available by or on behalf of the Principal, whether under ORS 656.407(2), OAR 436-050-0165 or otherwise, to secure the Principal's obligation to make payment of compensation and to make payment of other payments, assessments, contributions or other obligations that become due to the Director of the Department of Consumer and Business Services or to the Department of Consumer and Business Services, Workers' Compensation Division, under the Workers' Compensation Law. The Surety agrees that the Director and the Department of Consumer and Business Services, Workers' Compensation Division, may resort to this surety bond for payment of any compensation and for payments of any other payments, assessments, contributions or other obligations that become due, whether or not they shall have resorted to any other security or collateral therefor, or shall have proceeded against the Principal for such payment or payments. The Surety agrees that the Director and the Department of Consumer and Business Services, Workers' Compensation Division, may in their sole and absolute discretion elect to pursue or resort to any available source, security or collateral (including this surety bond) at any time, and in any order or combination, for payment of any compensation and for payments of any other payments, assessments, contributions or other obligations that become due, with respect to the Principal, under the Workers' Compensation Law.

PROVIDED, the Surety herein, by and in the execution of this bond, does hereby recognize that said bond is a direct financial guarantee to and for the benefit of all subject workers and their beneficiaries of _____

and those entities approved and included in the Principal's self-insured employer certification and to and for the benefit of the Department of Consumer and Business Services, Workers' Compensation Division, of the State of Oregon.

PROVIDED FURTHER, THIS BOND SHALL BE EFFECTIVE AS OF _____

Signed, sealed, and delivered this _____ day of _____, _____

PRINCIPAL:

Signature

Name and title

SURETY:

Signature

Attorney in Fact

Name and title

ATTEST:

Secretary signature

Accepted, but not as a substitute surety bond, this _____ day of _____, 20 _____

Department of Consumer and Business Services,
Workers' Compensation Division of the State of Oregon, **Obligee**

Signature

Name and title

OR

ACCEPTED, as a surety bond, this _____ day of _____, 20 _____

Department of Consumer and Business Services,
Workers' Compensation Division of the State of Oregon, **Obligee**

Signature

Name and title

OR

Accepted, as a substitute surety bond for all previous bonds this _____ day of _____, 20 _____

Department of Consumer and Business Services,
Workers' Compensation Division of the State of Oregon, **Obligee**

Signature

Name and title