A complete response to all applicable items is required. The following checklist is to be completed and submitted with the application. Please check the appropriate space(s) for each question. Please note that the $4,000 application fee must be received with the application. You must also apply for coverage directly with the W.C.R.A.

<table>
<thead>
<tr>
<th></th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Guarantee of Payment Agreement and Corporate Board Resolution(s) (if applicable) for Affiliates/Subsidiaries</td>
</tr>
<tr>
<td>2.</td>
<td>Individual Applications for Each Initial Group Members</td>
</tr>
<tr>
<td>4.</td>
<td>Current Insurance Data for All Members (Most Recent Policy and Loss Experience)</td>
</tr>
<tr>
<td>5.</td>
<td>Security Deposit</td>
</tr>
<tr>
<td>6.</td>
<td>Indemnity Agreement(s) (Joint &amp; Several Liability)</td>
</tr>
<tr>
<td>7.</td>
<td>Proof of Premium Deposit(s)</td>
</tr>
<tr>
<td>8.</td>
<td>Business and Bylaws</td>
</tr>
<tr>
<td>9.</td>
<td>Schedules A &amp; B</td>
</tr>
</tbody>
</table>

REV. 3/2011
APPLICATION FOR COMMERCIAL

SELF-INSURANCE GROUP AUTHORITY

79A(2)

1. Legal Name of commercial self-insurance group:

2. Contact person (This will be the person to whom all correspondence relating to the group’s self-insurance authority will be sent).
   - Name/title:
   - Mailing address:
   - Phone number:
   - Fax number:

3. Location where business records are to be kept:
   - Address:
   - Contact person:
   - Phone number:
   - Fax number:

4. Group Federal and State Tax Identification Number(s):

5. Proposed inception date: __________________________ 20 ___ 12:01 A.M.

6. Initial group annual premium (150% of the WCRA retention, minimum required)

7. Security deposit: Type: ______________________ $_________________
   (Include copy of actuarial certification report)

8. Name of the fiscal agent:
   - Mailing address:
   - Phone number:
   - Fax number:

   (Page 1 of 3)
9. Name of the service company:

   Contact person:
   Mailing address:

   Phone number:
   Fax number:

   Services to be provided:

   ____ Accounting and Record Retention  ____ Legal
   ____ Claims Administration  ____ Loss Control
   ____ General Administration  ____ Rehabilitation
   ____ Reinsurance Placement  ____ Risk Analysis

10. Business Plan - Attach a detailed explanation of the following:

   a. Risk profile of the group membership
   
   b. Underwriting guidelines
   
   c. Marketing plan (including copies of any marketing materials)
   
   d. Minimal financial criteria for membership
   
   e. Financial projections for the first year - include anticipated premium volume, expenses, investment income, losses and earned surplus
   
   f. Rating plan - include rates for each classification and any premium discount, formula (if used)
   
   g. Reinsurance coverage - WCRA retention, aggregate retention, aggregate carrier, other reinsurance

11. Complete and submit Schedule A - Operational Expenses

12. Complete and submit Schedule B - Membership Report

13. Submit copy of commercial group’s bylaws

14. Submit copy of group’s combined financial statement including a copy of each member’s accountant’s report letter

15. Attach Actuarial Report
16. Signature of Board Officer

STATE OF

COUNTY OF

The undersigned, ____________________________, being first duly sworn deposes and says:

That after due inquiry and to the best of his/her knowledge and belief, the information contained in this statement is true and documents submitted herewith are true copies of the originals thereof.

____________________________________
(Legal Name of Board Officer)

By: _____________________________________
(Signature)

Its: _____________________________________
(Title)

Subscribed and sworn to before me

this _____________ day of ___________, 20____

________________________________________
(Notary Public)

In and for the County of _________________

State of _________________________________

My Commission Expires _________________

(Notarial Seal)

Group Commercial SI (Page 3 of 3)
SCHEDULE A

Estimated Operating Expenses

Name of Group:

Estimated Group Premium: __________________

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Company Costs</td>
<td>$_________________</td>
</tr>
<tr>
<td>Professional Fees:</td>
<td>________________</td>
</tr>
<tr>
<td>Fiscal Agent Costs:</td>
<td>________________</td>
</tr>
<tr>
<td>WCRA Reinsurance:</td>
<td>________________</td>
</tr>
<tr>
<td>Aggregate Reinsurance:</td>
<td>________________</td>
</tr>
<tr>
<td>Other Insurance:</td>
<td>________________</td>
</tr>
<tr>
<td>Association Costs:</td>
<td>________________</td>
</tr>
<tr>
<td>Commissions:</td>
<td>________________</td>
</tr>
<tr>
<td>Other Costs:</td>
<td>________________</td>
</tr>
</tbody>
</table>

Total Estimated Operating Expenses: $________________

Expense Ratio: ______________ %

Group Commercial SI
**SCHEDULE B**

**Membership Report**

Group Name:  

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Annual Premium</th>
<th>% of Group</th>
<th>Type of Financial Statement</th>
</tr>
</thead>
</table>

Total Number of Members:  
Total Premium of Group:  
% of Premium from Members with Reviewed or Audited Statements:  
% of Premium from Members with Compiled Statements:  

**Group** Commercial SI

Assessments for Commercial Self Insurance Groups previously granted their authority to self insure their workers’ compensation obligations are made on a biannual basis and are payable in advance for the ensuing six month period based upon the most recently reported annual indemnity paid. These amounts are reported to The Department of Labor and Industry by insurance carriers and licensed third party administrators for self insured companies.

Initial assessment of GROUP
Assessed and payable upon entry into the guarantee fund.

The cumulative indemnity for worker's compensation of all initial members of the Group paid for the most recent annual period shall be multiplied by fifty percent (50%) of the assessment rate in effect for the period of entry. The indemnity paid for each member as reported on the Group’s application to self insure filed with the Department of Commerce shall be used for this calculation.

Second assessments of the GROUP
Assessed and payable in April and October each year.

The amount shall be the sum of:

Part I  The cumulative indemnity for worker's compensation of all new members added (only) since the Group’s inception date for the most recent annual period shall be multiplied by fifty percent (50%) of the assessment rate currently in effect for the period. (This is a catch-up assessment for groups adding new members since inception.)

Part II  The cumulative indemnity for worker's compensation all members of the Group paid for the most recent annual period shall be multiplied by fifty percent (50%) of the assessment rate currently in effect. (This is the normal assessment for the GROUP.)

All subsequent assessments of the GROUP
Assessed and payable in April and October each year.

The amount shall be the sum of:

Part I  The cumulative indemnity for worker's compensation of all new members added (only) since the Group’s last assessment date for the most recent annual period shall be multiplied by fifty percent (50%) of the assessment rate currently in effect for the period. (This is a catch-up assessment for groups adding new members since the last assessment period).

Part II  The cumulative indemnity for worker's compensation all members of the Group paid for the most recent annual period shall be multiplied by fifty percent (50%) of the assessment rate currently in effect. (This is the normal assessment for the GROUP.)
<table>
<thead>
<tr>
<th>Date to Mail Notice</th>
<th>Items to Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1</td>
<td>Due April 1</td>
</tr>
</tbody>
</table>
|                     | • Annual actuarial report for the Group  
|                     | • Annual audited financial statement of the group  
| March 1             | Due May 1        |
|                     | • Membership list and percentage of premium for the previous year  
| March 15            | Due May 15       |
|                     | • Membership Report – Activity for 1st quarter  
|                     | • Internal financial statements for 1st quarter with supporting copies of investment reports for funds held at financial institutions.  
|                     | • Interim Loss Report for 1st quarter  
| June 15             | Due August 15    |
|                     | • Membership Report – Activity for 2nd quarter  
|                     | • Internal financial statements for 2nd quarter with supporting copies of investment reports for funds held at financial institutions.  
|                     | • Interim Loss Report for 2nd quarter  
<p>| July 15             | Due September 15 |
|                     | • Federal and State income tax returns  |</p>
<table>
<thead>
<tr>
<th>Date to Mail Notice</th>
<th>Items to Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 15</td>
<td>Due October 15</td>
</tr>
<tr>
<td></td>
<td>- Annual combined financial statements of group with each member’s “accountant’s report letter” from their respective financial statements.</td>
</tr>
<tr>
<td>September 15</td>
<td>Due November 15</td>
</tr>
<tr>
<td></td>
<td>- Membership Report – Activity for 3rd quarter</td>
</tr>
<tr>
<td></td>
<td>- Internal financial statements for 3rd quarter with supporting copies of investment reports for funds held at financial institutions.</td>
</tr>
<tr>
<td></td>
<td>- Interim Loss Report for 3rd quarter</td>
</tr>
<tr>
<td>December 15</td>
<td>Due February 15</td>
</tr>
<tr>
<td></td>
<td>- Membership Report – Activity for 4th quarter</td>
</tr>
<tr>
<td></td>
<td>- Internal financial statements for 4th quarter with supporting copies of investment reports for funds held at financial institutions.</td>
</tr>
<tr>
<td></td>
<td>- Interim Loss Report for 4th quarter</td>
</tr>
</tbody>
</table>
FINANCIAL AFFIDAVIT

Minnesota Statutes 79A.21, subd. 2 (g)

STATE OF ________________________________

COUNTY OF ________________________________

The undersigned, ________________________________________________,
being first duly sworn, deposes and says:

That there has been no material lessening of net worth nor other adverse
changes in the ___________________________________________________ financial
Condition since the end of the most recently submitted financial statements in
accordance with Minnesota Statute Chapter 79A., subd. 2 (g). In addition, there are no
existing or new contingent liabilities which would now require disclosure in an audit of
financial statements.

___________________________________
(Legal Name of Applicant)

By: ___________________________________
(Signature)

Its: ___________________________________
(Title)

Subscribed and sworn to before me
This _______ day of _____________, 20___

_____________________________________
NOTARY PUBLIC

In and for the County of ____________________________

State of _________________________________________

My Commission Expires: ________________________

Rev. 6/02
WHEREAS, (name of company) has agreed to be and has been accepted as a member of (name of commercial self-insurance group).

WHEREAS, (name of company) has agreed to be bound by all of the provisions of the Minnesota workers’ compensation act and all rules promulgated thereunder.

WHEREAS, that (name of company) has agreed to be bound by bylaws or plan of operation and all amendments thereto of (name of commercial self-insurance group);

NOW THEREFORE, IT IS AGREED that:

1. (Name of company) shall be jointly and severally liable for all claims and expenses of all the members of (name of commercial self-insurance group) arising in any fund year in which (name of company) is a member of the commercial self-insurance group.

2. (Name of commercial self-insurance group) shall assess (name of company) on an individual and proportionate basis for its share of the total liability of the commercial self-insurance group.

3. In the event that (name of company) is not a member for the full year, it shall be only liable for a pro rata share of that liability.

IN WITNESS WHEREOF, the (name of company) and (name of commercial self-insurance group) have cause this indemnity agreement to be executed by its authorized officers:

Commercial Self-Insurance Group Name Company Name

By: ______________________________ By: ______________________________
COMMERCIAL SELF INSURANCE GROUP
QUARTERLY MEMBERSHIP ACTIVITY REPORT
(Due 45 days after end of each quarter)

Report For Quarter Ending _________________, 20___

Members added during the Quarter

Date Admitted

Members withdrawing during the Quarter

Date Withdrawn

List of Participating Members at End of Quarter

Date Admitted