

Acceptance of New Districts Employee Benefit Trust

An educational agency desiring to join School Risk and Insurance Management Group (SRIMG) shall submit a properly executed copy of the Joint Powers Agreement prior to **January 1st** preceding the fiscal year in which they wish to become members.

If the District is already a member of SRIMG, but not part of the Employee Benefit Trust Fund, then the District needs to sign an agreement with SRIMG. This agreement needs to be executed at least 90 days before benefits begin.

Participation in the SRIMG Employee Benefit Trust shall begin July 1st unless the Executive Director, with concurrence of the Executive Committee, shall authorize another date.

The agreement, approved by its governing board, recognizes the provisions of Section 8. of the Employee Benefit Program Document. This provision states that no member may terminate its membership in the Employee Benefit Trust as a party to this agreement for three years after becoming a member. The agreement will state that if the district or bargaining group terminates its membership in the Employee Benefit Trust Program before the three-year period ends, it agrees to pay an early withdrawal penalty of 50% of its monthly premium to SRIMG or \$50,000, whichever is smaller. The penalty is due 60 days after the end of the fiscal year. Interest will accrue at 12% per annum after the due date.

The Executive Committee of SRIMG reserves the right to refuse membership to any district that they feel acceptance into SRIMG would not benefit the existing membership. In addition, SRIMG reserves the right to perform any and all underwriting procedures deemed necessary to determine if membership is a benefit to SRIMG.