

**MEMORANDUM OF AGREEMENT
(Surety Bond or Non-Cash Asset Security)**

Know all men by these presents that (corporate officer name) of (employer name) as Principal, and (Guarantor / Issuer), a corporation duly organized under the Laws of the State of _____ and having a usual place of business at (address) as Guarantor, are held and firmly bound to the Bureau of Unemployment Compensation as Obligee, in the penal sum not to exceed (5% taxable wages) (written amount) Dollars (\$(dollar amount)).

WHEREAS under Section 1221, subsection 10, of the Employment Security Law (26 M.R.S.A. Chapter 13,) nonprofit organizations may elect to become liable for payments in lieu of contributions, in accordance with the provisions of Section 1221, subsection 11, of said Law, for a period of one (1) year from the date of such election, and

WHEREAS the Principal has so elected, and

WHEREAS under the provisions of Section 1221, subsection 12, of the Employment Security Law such nonprofit organization shall file a surety bond to guarantee payment of the amounts due in lieu of contributions, or may elect to deposit with the Bureau money or securities as approved by the commissioner;

NOW THEREFORE the conditions of this obligation are such that the Principal shall pay the full amount of payments due, in accordance with its election to become liable for payments in lieu of contributions, together with any applicable interest and penalties provided for in subsections 3 and 4 of Section 1225 of said Employment Security Law, and

IT BEING UNDERSTOOD that some or all of the liability may not be determined until after the end of the period of election for a period of up to 30 months; after which this obligation shall be void, otherwise to remain in full force and effect.

IT BEING UNDERSTOOD ALSO that in the event of the Principal's delinquency due to non-payment of benefits charges drawn from the Unemployment Insurance Fund or due to the cessation of the Principal's business, the amount of the surety, plus interest earned if necessary to cover the amount of delinquency, after appropriate and reasonable notification to the Principal and Guarantor, will be surrendered to the Maine Department of Labor under 26 M.R.S.A. Chapter 13, Section 1221, subsection 11 of the Law and made payable to Maine Department of Labor, to satisfy debt due including penalty, to the Department for non-payment.

THIS BOND may be cancelled by the Obligee by giving written notice to the Principal and the Guarantor/issuer stating the effective date of cancellation. This bond may not be cancelled by the Principal or Guarantor without sixty (60) days written notice via Certified Mail to the Department of Labor. Cancellation or termination of the bond shall in no way affect the right of the Obligee to collect from the Principal or Guarantor for payment of liability incurred prior to cancellation or termination but determined after the effective date of cancellation or termination. The Bond must remain in effect for up to 30 months and will be returned with any accruals after the period of potential liability has passed, providing no outstanding debt remains.

Signed, sealed and dated this (day) day of (month), 20(year).

Principal (corporate officer typed name signing below)

_____ (signature)

Witness as to Principal: _____ (signature)

For the Guarantor (guarantor typed name signing below)

_____ (signature)

Witness as to Guarantor: _____ (signature)

For the Bureau: _____ (signature) Date _____