

MAINE DEPARTMENT OF LABOR
Bureau of Unemployment Compensation – Employer Services Division
47S State House Station, 45 Commerce Drive, Augusta, ME 04333-0047

MEMORANDUM OF AGREEMENT
(Cash Surety)

Made this (day) day of (month), 20(year), between Treasurer, State of Maine, Custodian for the Maine Department of Labor, Bureau of Unemployment Compensation, 45 Commerce Drive, Augusta, Maine, hereinafter called the Bureau, and (employer name) of (Employer physical address, town, zip) hereinafter called Employer.

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.

The Employer, under the provisions of Section 1221, subsection 12, of the Employment Security Law, has elected to deposit money with the Bureau in such amount as the Bureau may approve. The amount approved has been fixed at: (written amount) (\$ _____).

The parties agree as follows:

1. The Employer agrees to set up a (surety type) forthwith in (name and address of bank) in the amount of (\$ _____) on the terms which make the account payable to the Treasurer, State of Maine, Custodian for the Maine Department of Labor, for the Bureau’s use in collecting any overdue obligations of the Employer to the Bureau by way of reimbursement payments in lieu of contributions, and the Employer further agrees to immediately deliver the (surety type) to the possession of the Bureau.
2. The Bureau or its custodian agrees to make no withdrawals from said cash surety except such as are necessary to pay the reimbursement payment obligations of the Employer, including interest and penalties, in the event said Employer does not make reimbursement payments when due under the terms of the Employment Security Law. Should the amount of indebtedness exceed the amount of the cash surety, interest earned on the cash surety may be applied to outstanding payments, interest and penalties.
3. In the event that the election to make reimbursement payments be terminated, according to Law, and all obligations arising out of said election are fully paid, after a period of potential liability of up to 30 months has passed, then this agreement shall cease to operate and the Bureau agrees to release all rights in and to any then remaining balance in said savings account to said Employer.

Signature of DOL Representative Date

Signature of Employer Representative Date

Name Printed

Name Printed