

Bond Number: _____

**Family and Medical Benefit Insurance Program
Equivalent Plan Self-Insurance Surety Bond**

Bond Number: _____

Know all persons by these presents:

That _____
(Employer)

whose address is _____
(Business Address of the above-named Principal)

as Principal, and _____
(Surety)

(Business Address of above-named Surety)

as Surety, a corporation duly organized and existing under the laws of _____ and being duly authorized to transact a general surety business in the State of Minnesota, as Surety, are held and firmly bound to the State of Minnesota in an amount equal to the Principal's annual premium that is would otherwise be required to pay to the family and medical benefit insurance account, in the penal sum of _____ dollars (\$_____) ("Bond"). For payment of this sum, Principal and Surety bind themselves, their heirs, representatives, successors and assigns, jointly and firmly by these presents.

WHEREAS, in accordance with Minnesota Statutes, section 268B.10, the Principal is applying for approval by the commissioner of the Department of Employment and Economic Development, State of Minnesota ("commissioner of DEED"), to meet their obligations under Minnesota Statutes, chapter 268B through the substitution of a private plan in the form of self-insurance;

WHEREAS, in accordance with Minnesota Statutes, section 268B.10, the State of Minnesota, acting through the Department of Employment and Economic Development ("DEED"), shall be an obligee of the Bond, and shall recover costs and fees incurred by DEED in pursuing a claim on the bond.

NOW THEREFORE, the conditions of this Bond or obligation are such that, if Principal shall faithfully and lawfully perform its duties, and in all things comply with the laws and rules, including all amendments thereto, pertaining to the payment of benefits pursuant to the terms, provisions, and limitations of Minnesota Statutes, chapter 268B to its employees, then this Bond or obligation shall be null and void; otherwise, this Bond or obligation shall remain in full force and effect.

FURTHERMORE, it is understood and agreed that:

1. This Bond may be amended, by agreement between Principal and Surety hereto and the commissioner of DEED, as to the identity of the Principal herein named. Such amendment must be by endorsement upon, or rider to, this Bond, executed by the Surety and filed with the commissioner of DEED.

2. The penal sum of this Bond may be amended by endorsement upon, or rider to, this Bond, to increase or decrease the penal sum to comply with the requirements under Minnesota Statutes, chapter 268B.
3. Under no circumstances shall the Surety's liability exceed the penal sum stated herein, unless amended by endorsement upon, or rider to, this Bond.
4. If the commissioner of DEED determines that the Principal has failed to perform its duties pertaining to the payment of benefits to its employee pursuant to the terms, provisions, and limitations of Minnesota Statutes, chapter 268B, the Surety will become liable for the benefit obligations of the Principal on the date Principal fails to provide the benefits. Within ten (10) business days after receipt of written notification by certified mail from the commissioner of DEED, the Surety shall make a lump sum payment to DEED in the amount equal to the benefit obligations owed by the Principal.
5. This Bond shall be deemed effective as of the date this Bond is executed and shall remain continuously in effect until terminated or released in accordance with paragraphs 6 through 8 below.
6. (a) The obligation of this Bond shall terminate upon written notice of cancellation from the Surety, given by certified mail to the commissioner of DEED. This termination is effective 60 days after receipt of notice of cancellation by the commissioner of DEED. Upon termination of this Bond, and if no replacement security is posted, the Surety's obligations under this Bond shall thereafter be limited to obligations of the Principal incurred during or with respect to the period that this Bond was in force and effect.

(b) This Bond shall also terminate upon the revocation of approval of the Principal's private plan, except as to obligations of the Principal incurred during or with respect to the period that this Bond was in force and effect. In the event of such revocation, the commissioner of DEED shall notify the Principal and the Surety herein named, in writing, in a manner consistent with Minnesota Statutes, section 268B.10, subdivision 16.
7. When Principal's self-insured plan is involuntarily or voluntarily terminated, but the self-insured plan does not provide coverage through the effective date of the termination, as required by Minnesota Statutes, section 268B.10, subdivision 20, the commissioner of DEED shall collect the full value of the self-insured Principal's Bond pursuant to paragraph 4.
8. This Bond shall automatically be deemed fully released upon the Principal's posting of a replacement bond that assumes liability for obligations of the Principal incurred during or with respect to the period that this Bond was in force and effect.
9. If any part or provision of this Bond shall be declared unenforceable or held to be invalid by a court of proper jurisdiction, such determination shall not affect the validity or enforceability of the other provisions or parts of this Bond.
10. Written notification to the Surety required by this Bond shall be sent to:

Name of Surety

To the Attention of Person or Position

Bond Number: _____

Address

City, State, Zip

Written notification to the Principal required by this Bond shall be sent to:

Name of Principal

To the Attention of Person or Position

Address

City, State, Zip

IN WITNESS WHEREOF, Principal and Surety have caused this instrument to be executed as of the day and year first above written.

For Principal:

Print Name of Principal(s)

Signature of Principal(s)

Notarize signatures on the Next Page and attach power of attorney form. **Part A OR B AND C MUST BE COMPLETED.**

For Surety:

(SURETY SEAL)

Name of Surety

File with and Notices to DEED be Sent to:

Minnesota Department of Employment and Economic Development
Great Northern Building
180 E 5th St Suite 1200
St. Paul, MN 55101

Bond Number: _____

A. FOR Individual, Partnership, Limited Liability Company or Limited Liability Partnership

(Note: If partnership, all signatures are required to be notarized. Please copy the page if necessary.)

STATE OF _____)
) ss
COUNTY OF _____)

On this _____ day of _____, personally came _____ to me well known to be the identical person(s) described in and who executed the foregoing bond and he/she/they acknowledged the same to be his/her/their own free act and deed.

(Seal)

Notary Public, _____ County, _____
My Commission Expires _____

B. FOR Corporation

STATE OF _____)
) ss
COUNTY OF _____)

On this _____ day of _____, personally came _____ who being by me duly sworn, did say that he/she is _____ of _____, a _____ corporation; and that said instrument was executed in behalf of the corporation by authority of its Board of Directors; that he/she acknowledged said instrument to be the free act and deed of the corporation.

(Seal)

Notary Public, _____ County, _____
My Commission Expires _____

C. FOR Corporation Surety

STATE OF _____)
) ss
COUNTY OF _____)

On this _____ day of _____, personally came _____ and _____ to me personally known, who being by me duly sworn, did say that he/she is the attorney in fact of _____, the corporation whose name is affixed to the foregoing instrument; that the seal affixed to the foregoing instrument is the corporate seal of the said corporation; and that said instrument was executed in behalf of said corporation by authority of its board of directors and said _____, a _____ acknowledged that he/she executed said instrument as attorney in fact as the free act and deed of said corporation

(Seal)

Notary Public, _____ County, _____
My Commission Expires _____