State of California
Employment Development Department
Disability Insurance Branch
1416 9th Street, MIC 29VP
Sacramento, CA 95814

In the Matter of the Application of

Employer's Legal Name
Employer's Legal Name Continued
Business Address
Business Address Continued
City, State, ZIP
VP Number

For approval of Voluntary Plan under Part 2 of the Unemployment Insurance Code.

Guarantee Bond

Bond Number:

Effective Date:

Know All Persons By These Presents:

That _____ as Principal, and

_____ of _____ as surety, are held and

firmly bound unto the people of the State of California, in the sum of _____

_____ Dollars ($_____)

for the payment of which, well and truly to be made, the principal binds himself, heirs, executors, administrators, successors and assigns, and the surety binds itself, its successors and assigns, jointly and severally by these presents:

Whereas, in accordance with Part 2, section 3258 of the Unemployment Insurance Code, the principal has elected to operate a voluntary plan and has secured approval of such plan by the Director of the Employment Development Department, subject to the deposit of this Guarantee Bond with the Treasurer of the State of California, and has agreed to pay the benefits under that certain plan and to pay any assessments for liabilities under the voluntary plan as provided by Part 1, sections 1126 and 1176, and Part 2 of the Unemployment Insurance Code.

Now, therefore, the conditions of this obligation are such that if the principal will pay such obligations under that certain plan, and assessments, pursuant to the terms, provisions and limitations of Chapter 6, (commencing with section 3251), division 1 of the Unemployment Insurance Code, then this obligation will be null and void; otherwise to remain in full force and effect.

Provided however, this bond is issued subject to the following express conditions:

1. The liability of the surety will be that of the principal signatory hereto in the event the principal fails to pay their obligations under the voluntary plan; provided, however, that the total aggregate liability of the surety will not exceed the amount set forth above.

2. Except as provided in paragraph 4 below, this bond will not terminate until the expiration of all outstanding benefit claims that occur after the lapse of 12 complete calendar quarters following the effective date of termination of the voluntary plan or withdrawal of such plan, and thereafter for a period not to exceed 60 days following the date upon which an assessment for charges against the principal becomes final unless the Director terminates the bond prior thereto.

3. The surety does, by these presents, undertake and agree that the obligations of this bond will cover and extend to all past, present, existing, and potential liability of the principal, as a voluntary plan, to the extent of the sum named here, without regard to specific injuries, dates or dates of injuries, happenings or events.

4. This bond may be cancelled by the surety at any time after the initial period of one year for which approval of the voluntary plan was given, upon providing 30 days' written notice in advance of the cancellation to the Treasurer of the State of California and the Director of the Employment Development Department; the notice period begins upon receipt or service of the notice. Under these circumstances, liability of the surety will terminate upon expiration of the 30-day notice period, except as to such liability of the principal on account of any assessment arising from employment that occurred during the life of this obligation.

5. Where the principal posts with the Director a replacement security deposit, in the form of surety bond, irrevocable letter of credit, cash, or any combination thereof, in the full amount as may be required by the Director of the Employment Development Department to secure all voluntary plan liabilities, the surety is released from the obligations under this surety bond as of the date of acceptance by the Director of a replacement security deposit.

6. It is expressly understood and agreed that in the event that the principal fails to pay any assessments which will rendered against it to the Director of the Employment Development Department, within 30 days after such assessments become final, the surety will immediately pay, to the extent of its liability under this bond, said assessments to the Director of the Employment Development Department.

7. If the principal suspends or otherwise fails to pay any assessment for liability under the voluntary plan or becomes insolvent, the undersigned surety will pay the outstanding assessments, to the extent of its liability under this bond, before the expiration of 30 days after the outstanding assessment became final, and without regard to any proceedings for liquidation of the principal.

8. The signers are held and firmly bound for the payment of all legal costs, including reasonable attorney fees, incurred in all or any actions or proceedings taken to enforce payment of any assessments rendered against the signers surety, on account of the execution by it of this bond.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed and this instrument to be sealed by the respective parties thereunto duly authorized this _____ day of _____, _____.

_____
Principal Name

_____
Print Name of Authorized Representative and Title

_____
Authorized Representative's Signature

Surety
(Seal)

_____
Surety Name

_____
Print Name of Authorized Representative and Title

_____
Authorized Representative's Signature

Guarantee Bond (DE 2544V) Instructions

You may use a guarantee bond to secure your voluntary plan. A *Guarantee Bond* (DE 2544V) must be issued by a licensed and approved surety company. Visit insurance.ca.gov to find a surety company.

This form must be completed by both the surety company and the employer to establish a surety bond. If any of the fields are missing or incomplete, you will need to resubmit the form.

Mailing Address:

DE 2544V must be mailed to the address listed below:

EDD, Disability Insurance Branch
Voluntary Plan Group
Attention: Security Analyst
1416 9th Street, MIC 29VP
Sacramento, CA 95814

How to complete the form:
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1. In the matter of the application of
   - Enter the employer's name.

     Note: Use the exact employer's legal name as spelled and registered with the EDD. Do not enter "Doing Business As (DBA) name" for the Legal Name.

     Note: If you have a joint principal bond which covers multiple plans, list only one employer as the applicant and principal, see "Instructions for Joint Principal Bond" below.
   - Enter the employer's business address. PO Box addresses are not allowed.
   - Enter the Voluntary Plan Number provided on the Conditional Approval Letter. If this is a replacement bond, enter the current Voluntary Plan number.

2. Bond number – Enter the full bond number.

3. Effective date – The effective date of the bond must correspond with the required effective date.
   - If this is a new voluntary plan, use the effective date specified on the Conditional Approval Letter.
   - If this is a replacement bond due to a cancellation, the effective date must be on or before the date of cancellation of the prior security.
   - If this is a replacement bond, at the VP employer's discretion, effective date must be on or before the cancellation of the current bond, presuming the current bond has been in effect for at least one year.

     Note: There must be no lapses in coverage.

4. Know all persons by these presents
   - Enter the employer's legal name as Principal. If the bond covers multiple employers, list only one employer and refer to the "Instructions for Joint Principal Bond" below.

     Note: Use the exact employer's legal name as spelled and registered with the EDD. Do not enter "Doing Business As (DBA) name" for the Legal Name.
   - Enter the surety's full name and state.
   - Enter the written dollar amount and numerical dollar amount of the bond.

5. In Witness Whereof
   - Enter the day, month, and year this document was executed.

6. In signature lines for the principal or employer
   - Enter the employer's legal name.

     Note: Use the exact employer's legal name as spelled and registered with the EDD. Do not enter "Doing Business As (DBA) name" for the Legal Name.
   - Print the authorized representative's name and title.
   - The authorized representative **must sign their name in ink.** This signature must be notarized.

     Note: We strongly recommend the signature be in blue ink.

7. In signature lines for the surety insurer
   - Enter the surety's full name.
   - Print authorized representative's name and title.
   - The authorized representative **must sign their name in ink.** This signature must be notarized. If using an attorney-in-fact, a valid unexpired power of attorney document must be included.

     Note: We strongly recommend the signature be in blue ink.
   - The surety's seal must be embedded in the document.

Instructions for Joint Principal Bond

If multiple voluntary plans are not covered under one bond, skip the instructions below.

The Guarantee Bond may be used to secure a group of related voluntary plans. This is known as the Joint Principal Bond. The admitted surety insurer must create and include a document showing all the voluntary plans that will be covered and mail it with the DE 2544V to the EDD. The document must show all the requirements below:

- List all the employer's legal name, VP number, and allocated amount.

  Note: Use the exact employer's legal name as spelled and registered with the EDD. Do not enter "Doing Business As (DBA) name" for the Legal Name.
- Indicate the total of all the allocated amounts. The total should match the amount listed as the sum on page 1.
- The surety's seal must be embedded in the document. The seal confirms that the document was created by the surety company.