

Payday Loan Business Bond Requirement

Consumer Protection and Business Practices Act



Effective April 1, 2019

<u>Surety Bond*</u>	<u>Amount</u>
1 Location.....	\$10,000
2 – 10 Locations	\$25,000
More than 10 Locations	\$50,000

- * Commercial surety bonds satisfy the security requirements of public, legal and government entities and protect against financial risk. These bonds guarantee that the business or individual will comply with all required legal obligations. For a consumer, this means that commercial surety bonds protect against fraud, misrepresentation, and compensation of monetary loss. See sample wording for the surety bond on the reverse page.

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PROVINCE OF NEWFOUNDLAND AND LABRADOR PAYDAY LOANS BUSINESS SAMPLE BOND

KNOW ALL PEOPLE BY THESE PRESENTS, that I/we _____ (Hereinafter called the Principal), as Principal, and we, _____ (hereinafter called the Surety), as Surety, are held and firmly bound unto **Her Majesty The Queen in Right of the Province of Newfoundland and Labrador** (hereinafter called the Obligee) in the penal sum of _____ dollars of lawful money of Canada, to be paid unto the Obligee, her successors and assigns, for which payment well and truly to be made we jointly and severally bind ourselves, our executors, administrators, successors and assigns firmly by these presents.

SEALED with the respective seals of the Principal and of the Surety and dated the _____ day of _____.

NOW THE CONDITION of the above obligation is such that if the said obligation does not by reason of any act, matter or thing at any time hereafter become or be forfeit under The Consumer Protection and Business Practices Act, then the said obligation shall be void but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by the said Act.

PROVIDED that if the said Principal or Surety at any time gives three calendar months' notice in writing to the Registrar under the said Act of intention to terminate the obligation hereby undertaken then this obligation shall cease and determine in respect only of any act, matter or thing taking place, arising or done subsequent to the date named in the notice of termination of the obligation hereby undertaken but shall remain in full force and effect in respect of all acts, matters and things taking place, arising or done from the date hereof to the date of such termination. Notice of any claim hereunder shall be made upon the Surety within two years following the date of termination as herein provided.

SIGNED, SEALED AND DELIVERED in the presence of

WITNESS

PRINCIPAL

SURETY