

# Security Forms

## MONEY SERVICES BOND

Policy Number \_\_\_\_\_

**KNOW ALL MEN BY THESE PRESENTS**, that \_\_\_\_\_  
(Name of Applicant)

\_\_\_\_\_  
(Business Address of Applicant)

of the City of \_\_\_\_\_, County of \_\_\_\_\_, and State of \_\_\_\_\_ as principal (the "principal" or "license holder") and \_\_\_\_\_ of the City of \_\_\_\_\_ County of \_\_\_\_\_ and State and zip code of \_\_\_\_\_ as surety, are held and firmly bound unto the Texas Banking Commissioner (the "Commissioner") and any customer of the license holder for the use and benefit of the Commissioner and the Texas Department of Banking (the "Department") and any such customer of the license holder for any liability incurred with respect to any currency exchange or money transmission business conducted by the license holder under, subject to, or by virtue of the provisions of the Texas Finance Code, Chapter 152 (the "Code"), including without limitation any delinquent fee, assessment, cost, penalty, or other amount imposed on and owed by the license holder to the Commissioner or the Department, in the penal sum of \_\_\_\_\_ Dollars, (\$ \_\_\_\_\_), for the payment of which, will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally by these presents.

**WHEREAS**, the aforesaid principal has applied for a license under the provisions of the aforesaid Code, and,

**WHEREAS**, the aforesaid Code provides, and includes as a precedent to the issuance of a license, that the principal shall furnish a bond in accordance with and that satisfies the requirements of Section 152.352 of the Code.

**NOW THEREFORE**, if the license holder will faithfully conform to and abide by the provisions of this Code and will honestly and faithfully apply all funds received and perform all obligations and undertakings in connection with any currency exchange or money transmission business under the Code and will pay to the Commissioner and the Department and to any customer or recipient designated by a customer all money that becomes due and owing to the

Commissioner and the Department or to such person under the provisions of the Code because of any such business by the license holder under and by virtue of the provisions of the Code, then this obligation will be void; otherwise will remain in full force and effect.

**PROVIDED, HOWEVER,** in no event shall all aggregate liability of the surety under this bond for any and all claims to one or more claimants exceed the penal sum of this bond.

**PROVIDED FURTHER,** that the bond is conditioned that the principal will not violate the Code or a rule adopted pursuant to the Code, as long as the principal holds a license issued by the Department for activities conducted subject to the Code.

The bond shall remain in effect for the entire term of the license in connection with which it is being issued, unless sooner revoked by thirty (30) or more days written notice to the Commissioner.

If the surety herein shall so elect, this bond may be conditionally cancelled at any time by the surety herein by filing with the Commissioner a thirty (30) days written notice of such conditional cancellation, but said surety so filing said notice shall not be discharged from any liability accrued under this bond or which shall accrue herein before the expiration of said thirty (30) day period. The bond shall automatically renew for any succeeding renewals of the license without need of any action or notice by any party.

**IN WITNESS WHEREOF,** we have duly executed the foregoing obligation this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, to be effective on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Principal \_\_\_\_\_

By \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Surety \_\_\_\_\_

By \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

**DEPOSIT IN LIEU OF SURETY BOND**  
***Under the Texas Finance Code Chapter 152***

THIS CONTRACT AND AGREEMENT is entered into in triplicate on \_\_\_\_\_,  
between \_\_\_\_\_ (the "License Holder"),  
a(n) \_\_\_\_\_ organized under the laws of the State of \_\_\_\_\_  
and doing business in the State of Texas, and the Commissioner of the Texas Department of  
Banking (the "Commissioner");

**LEGAL AUTHORITY FOR DEPOSIT INSTEAD OF BOND**

The License Holder is subject to the Texas Finance Code, Chapter 152 (the "Code"),  
entitled "Money Services Modernization Act" regulating the business of currency exchange and  
money transmission. Instead of furnishing all or part of the surety bond required by the Code,  
the License Holder is permitted to deposit with the Commissioner an aggregate amount (the  
"Security"), including cash, certificates of deposit and interest-bearing securities that equals the  
total amount of the required bond or the remaining part of the bond. The License Holder may  
deposit the Security with any financial institution possessing trust powers that is authorized to  
conduct a trust business in the State of Texas acceptable to the Commissioner.

**THE COMMISSIONER'S FINDING**

The Commissioner finds that \_\_\_\_\_ (the  
"Custodian"), a(n) \_\_\_\_\_, located in \_\_\_\_\_, is  
authorized to conduct trust business in the State of Texas, and is an acceptable Custodian for  
the License Holder's deposit.

## LICENSE HOLDER'S DEPOSIT

The License Holder deposits with Custodian the following Security and all renewals, substitutions and replacements thereof:

---

It is agreed between the parties:

1. Subject to the provisions of the Agreement, the Security is deposited for the benefit of the State of Texas and any creditor of the License Holder for any liability incurred by the License Holder under and by virtue of the Code.
  2. The Security deposited may be exchanged from time to time for other Security of an equal par value that qualifies under the provisions of the law relating to this deposit, such substituted Security to be with joint written approval of the Commissioner, License Holder, and Custodian.
  3. All interest or dividends on all Security deposited will be payable to or in accordance with the instructions of the License Holder, unless the Commissioner gives contrary notice in writing to the Custodian. The Commissioner's notice will be effective two business days after the Custodian actually receives the notice.
  4. The original principal amount of the Security deposited under the terms of this Agreement (plus interest accruing after the effective date of any notice given in accordance with paragraph 3 above) will be controlled exclusively by the Commissioner, who has the right from time to time to withdraw it. However, any withdrawal request from the Commissioner must be either:
    - (A) in writing and supported by a certified copy of an order of a court of competent jurisdiction; or
    - (B) by an original or certified copy of a written order of the Commissioner containing the Commissioner's signature.
- Withdrawals by the Commissioner must satisfy any liability the Custodian has to the Commissioner and will relieve the Custodian of all liability to License Holder for the amounts withdrawn.
5. If the License Holder will:
    - (A) faithfully conform to and abide by the provisions of the Code;
    - (B) honestly and faithfully apply all funds received and perform all obligations and undertakings for exchange issued and sold under the Code; and

- (C) pay to the State and to any person all money that becomes due and owing to the State or to such person under and by virtue of the provisions of the Code;

then the Commissioner will have no further right in or claim to the Security covered by his Agreement, and must, by written order containing the signature of the Commissioner, notify the Custodian of the termination of the Commissioner's rights in the Security. Unless the Custodian receives an original or a certified copy of a written order from the Commissioner containing the signature of the Commissioner or an order from a court of competent jurisdiction terminating the Commissioner's rights in the Security, Custodian may assume that this Agreement remains in effect and that the rights of the Commissioner in the Security remain in existence.

6. The Custodian may rely on any and all certified notices or certified orders of the Commissioner submitted from the Commissioner to the Custodian under this Agreement, purporting to bear the signature of the Commissioner, without further inquiry into the authenticity of the signature or the authority or entitlement of the Commissioner to issue such certified notices or orders.
7. All notices or orders to Custodian must be delivered by certified mail, return receipt requested or by overnight or local delivery courier. All notices or orders provided for under this Agreement will be deemed to be received when actually received by the addressee. All parties must promptly notify all other parties of an address change. Notices and orders to the Custodian must be addressed as follows:

---

*(Custodian's Name)*

---

*(Custodian's Address)*

---

*(City)*

*(State)*

*(Zip Code)*

8. Nothing in this Agreement requires Custodian to violate any applicable laws, any court order or the instructions of any bankruptcy trustee.
9. The Security is subject to Custodian's terms and conditions of deposit accounts now in existence and as they may be modified in the future, except to the extent that the terms and conditions are specifically inconsistent with this Agreement.
10. Custodian is not liable for any indirect damages, lost profits, special, punitive or consequential damages that arise out of or in connection with the obligations contemplated by this Agreement. The provisions of this paragraph will survive termination of this Agreement.

11. This Agreement is executed in triplicate originals, one to be kept by each of the parties hereto, and one to be kept by the Custodian.

SIGNED AND DELIVERED in triplicate on \_\_\_\_\_.

\_\_\_\_\_  
(License Holder)

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Texas Department of Banking:**

\_\_\_\_\_  
(Banking Commissioner of Texas)

\_\_\_\_\_, Custodian, hereby acknowledges receipt of the Security described in the foregoing agreement, and covenants and agrees that the same will be held by it for the purposes and subject to the terms and conditions of this agreement, but reserves the right to resign as Custodian by giving 30 days written notice to the signers of the Agreement at the two (2) addresses specified below.

**Banking Commissioner of Texas  
2601 North Lamar Boulevard  
Austin, TX 78705**

And

\_\_\_\_\_  
(License Holder's Name)

\_\_\_\_\_  
(License Holder's Address)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip Code)

Custodian will become bound by the terms of this Agreement only after it receives an original counterpart fully executed by all parties.

\_\_\_\_\_  
(Custodian's Name)

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_