

CREDIT SERVICE ORGANIZATION BOND

NOTE CAREFULLY AND FOLLOW INSTRUCTIONS:

If the applicant is a corporation, the corporate name must be used at the beginning of the bond describing the principal, and the bond must be executed on behalf of the corporation by the president and secretary and the seal affixed. If the applicant is a partnership, all partners must sign. If a sole proprietorship, the owner must sign. If an L.L.C., all members sign.

The authority of the agent of the bonding company to sign such bond shall be attached, together with the last financial statement of the surety company.

WHEREAS _____
(Name of Applicant)

(Street and Number) (City) (State) (Zip) (County)
the principal herein has made application to the Division of Financial Institutions of the State of Ohio for a certificate to conduct the business provided for in Sections 4712.01 to 4712.14, inclusive, of the Revised Code of Ohio; and

WHEREAS the applicant is required by law to execute a bond to the State of Ohio in the penal sum of Fifty Thousand Dollars and file the same with the Division of Consumer Finance, now, therefore,

KNOW ALL MEN BY THESE PRESENTS:

That _____
(Name of Applicant)
of the City of _____, State of _____, as the Principal, and _____
(Bond Company)
_____ of _____ as surety are
(Complete Address)

held and firmly bound unto the State of Ohio in the penal sum of Fifty Thousand Dollars (\$50,000.00) for the payment of which, well and truly to be made, we jointly and severally bind ourselves, our heirs, executors, administrators, assigns and successors firmly by these presents.

Signed by the said _____
(Name of Applicant)
as Principal, and by the said _____
(Bond Company)
as Surety, this _____ day of _____, 20_____.

The condition of the above obligation is such that if the said _____
(Name of Applicant)

its/his owners, members, directors, officers, agents, or employees shall faithfully observe and comply with all of the provisions of the aforesaid sections, then this obligation shall be void; otherwise to be and remain in full force and virtue in law, until at least two years after the date in which the principal ceases to conduct business; provided, however, that no cancellation by the surety shall be effective unless and until written notice of intention to cancel this bond has been filed with the Division of Financial Institutions for a period of thirty days prior to the day fixed in said notice of cancellation.

Any person claiming to be injured by a violation of any of the above sections may maintain an action on this bond.

PRINCIPAL

The bond number is _____.

The effective date of the bond is _____

and will expire on _____.

(Name of Applicant)

By _____
(Signature) (Title)
(Date)

By _____
(Signature) (Title)
(Date)

By _____
(Signature) (Title)
(Date)

SURETY

By _____
(Signature) (Title)
(Date)

By _____
(Signature) (Title)
(Date)

ATTESTATION OF BOND COMPANY AGENT

I swear or affirm that all information supplied is complete, truthful, correct and that the bond as described above has been issued to the principal in the name and address stated for the period indicated.

State of _____

SS:

County of _____

Sworn to before me and subscribed in my presence this _____ day of _____, 20_____.

(Signature of Notary)

My commission expires _____

Section 4712.02(C)(1)(b) states:

Evidence of the bond required under section 4712.06 of the Revised Code.

Section 4712.06 states:

- (A) No credit services organization shall conduct business in this state unless the organization has obtained a surety bond issued by a surety company authorized to do business in this state and all of the following conditions are met:
 - (1) A copy of the bond is filed with the division of Financial Institutions.
 - (2) The bond is in favor of any person, and of the state for the benefit of any person, that is injured by any violation of sections 4712.01 to 4712.14 of the Revised Code.
 - (3) The bond is in the amount of fifty thousand dollars.
 - (4) The bond is maintained and in effect for at least two years after the date on which the credit services organization ceases to conduct business in this state.
- (B) Any person claiming against the bond for a violation of sections 4712.01 to 4712.14 of the Revised Code may maintain an action at law against the credit services organization and against the surety company. However, the surety company is liable only for damages awarded under division (A)(2) of section 4712.10 of the Revised Code and not for punitive damages awarded under division (A)(3) of section 4712.10 of the Revised Code. The aggregate liability of the surety company to all persons injured by a credit services organization's violation of section 4712.01 to 4712.14 of the Revised Code shall not exceed the amount of the bond.