

State of Wisconsin

Surety Bond Number _____

_____ **[Credit Services Organization]**

THIS SURETY BOND is given by _____ [Name of credit services organization], at the principal office location registered under Wis. Stat. s. 422.502 as Principal, and _____ [Name of surety], which is a surety company authorized to do business in the State of Wisconsin, as Surety, to the State of Wisconsin through its Department of Financial Institutions – Division of Banking (Division), for the use and benefit of any customer of the Principal who is injured or damaged by any act or omission of the Principal covered by this bond, subject to the conditions listed below. By this instrument, we jointly and severally firmly bind ourselves, our heirs, executors, administrators, successors, and assigns.

The following terms and conditions apply to all entities:

- 1) The effective date of this bond is _____.
- 2) The amount of the bond shall be in an amount of \$25,000, as provided in Wis. Stat. subch. V of ch. 422.
- 3) This bond is continuous and shall remain in force and effect until canceled.
- 4) The condition of this bond is such that the Principal, and all individuals representing the Principal, shall:
 - a. Strictly comply with the provisions of Wis. Stat. subch. V of ch. 422, including all subsequent amendments, and all lawful orders, rules, and regulations in effect or which may be issued pursuant to that subchapter.
 - b. Pay and turn over to or for a person all moneys that the Principal may owe to the Division or that person as a result of the Principal’s violations of Wis. Stat. subch. V of ch. 422, as it now exists or is later amended, and any order or rule issued or promulgated under the subchapter.
 - c. Pay any examination, liquidation, or other amounts the Principal owes the Division for costs, assessments, forfeitures, or other obligations that have been charged to the Principal, or incurred by the Division, under Wis. Stat. subch. V of ch. 422, which costs shall be considered a preferred claim.

5) This bond may be canceled by the Surety giving 60 days' notice to the Division. The liability of the Surety for any future act or omission of the Principal shall cease at the expiration of the 60 days, and the Surety remains liable for any or all acts of commission or omission covered by this bond, which have or may have occurred up to and including the day of expiration of the 60 days' notice.

6) Claimants shall give written notice of their claims to the Surety within 2 years from the effective date of the surety bond's cancellation.

7) Within 6 months after the receipt of any claim arising under this surety bond, the Surety shall, by certified or registered mail, return receipt requested, deny liability on the claim, unless the claim has been paid in full or settled.

8) Within 10 days after any written demand for payment of satisfaction of any claim arising under this bond is made upon the Surety, the Surety shall mail to the Division a statement which shall include the name and address of the claimant and the amount of the claim. Upon denial of liability or disposition of any claim the surety shall also notify the Division by mail as to the manner of disposition of the claim and the amount, if any, paid to the claimant.

9) Regardless of the number of claimants or the amounts of the claims, the aggregate liability of the Surety on this bond in the event of a default on the part of the Principal shall be limited to the above-stated sum of the surety bond.

10) No action may be brought on this bond for recovery of any claim unless commenced within 2 years from the cancellation date of this bond.

11) If any person is aggrieved by the misconduct of the Principal, the aggrieved person or the person's agent may bring suit directly upon this bond in any court having jurisdiction of the amount claimed.

12) It is intended that this bond be one of guaranty of payment and not of collection.

13) The Surety shall provide the Division with the name and address of the claims agent with whom claims against the bond are to be filed.

The Principal executes this agreement by signing below, and the Surety executes the Surety's obligation by its duly authorized agent's signature below, on this _____ day of _____

_____, _____

By: _____
[Principal Signee]
Principal

By: _____
[Surety Signee]
Surety