

DEPOSIT IN LIEU OF SURETY BOND

UNDER

ALABAMA SALE OF CHECKS ACT

THIS CONTRACT AND AGREEMENT, entered into in triplicate this _____ day of _____, A.D. 20____, between _____, a(n) _____ organized under (Corporation, Individual(s), Joint Stock Assoc., Partnership or L.L.C.) the laws of the State of _____ and doing business in the State of Alabama, hereinafter called the Depositor(s), and the Alabama Securities Commission, hereinafter called the Commission.

WITNESSETH:

WHEREAS, the Depositor desires to engage in the business of selling, issuing or otherwise dispensing checks, drafts, money orders or other instruments for the transmission or payment of money and/or the business of receiving money as an agent for obligors for the purpose of paying such obligors' bills, invoices or accounts, and

WHEREAS, such a business is regulated by, and the Depositor is required to meet all requirements of Section 8-7-1 et seq. (Code of Ala. 1975), known as the Sale of Checks Act, and

WHEREAS, said law provides that in lieu of the required corporate surety bond, the Depositor may deposit with the State Treasurer bonds or other obligations of this State or of any municipal corporation, county or other political subdivision or agency of this state in a principal amount at least equal to that of the required corporate surety bond.

NOW, THEREFORE, in consideration of the premises, the Depositor deposits with the Treasurer of the State of Alabama the following securities: (describe securities)

(initial for identification)

and any additions, renewals, extensions or modifications thereof.

(If Certificate of deposit, certificate number: _____, issue date _____)

The parties hereto agree as follows:

1. Subject to the provisions contained herein, these securities are deposited for the use and benefit of the State of Alabama and/or any creditor of the Depositor for any liability incurred in connection with the Depositor selling, issuing or otherwise dispensing checks, drafts, money orders or other instruments for the transmission or payment of money and receiving money as agent for obligors for the purpose of paying such obligors' bills, invoices or accounts, and for the use and benefit of any other person damaged by any failure of the Depositor to comply with the provisions of the Sale of Checks Act or by any breach of the conditions of this Contract and Agreement.

2. The Depositor shall have the right, from time to time, to substitute other bonds or obligations of equal principal value for those currently on deposit, that qualify under the provisions of the law relating to this deposit, upon the approval of and the sole discretion of the Commission. The Depositor shall substitute other bonds or obligations of equal principal value for those currently upon deposit if ordered to do so by the Commission for good cause.

3. All interest or dividends on all securities deposited shall be payable to the Depositor, unless and until the Commission gives contrary notice to the Treasurer of the State of Alabama, which notice shall be in writing and supported by certified copy of an order of a court of competent jurisdiction which prohibits receipt by Depositor of such interest or dividends.

4. All the securities deposited under the terms of this agreement shall be under the exclusive control of the Commission. The Commission shall have the right from time to time to direct the Treasurer of the State of Alabama to sell or otherwise dispose of any securities so deposited and to convert the same into cash and to pay and deliver any securities and cash to the Commission. All such instructions, however, from the Commission are to be in writing and supported by a certified copy of an order of a court of competent jurisdiction.

5. If the Depositor will faithfully conform to and abide by the provisions of the aforesaid Act and will honestly and faithfully apply all funds received and perform all obligations and undertakings under the aforesaid Act, and will pay to the State and to any person all money that becomes due and owing to the State or to such person under the provisions of the aforesaid Act and in all other ways comply with all the provisions and requirements of the Sale of Checks Act, the Commission shall have no further right in or claim to the deposited securities.

6. This Agreement is executed in triplicate, one copy to be kept by each of the parties hereto and one copy to be kept by the Treasurer of the State of Alabama.

Signed, sealed and delivered in triplicate this the ____ day of _____, 20____.

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, a Notary Public in and for said county and state, personally appeared _____ and/or _____, whose names are signed to the foregoing and who are known to me acknowledged before me on this day, that being informed of the contents of the above, executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the ____ day of _____, 20____.

(Seal)

Notary Public
My Commission Expires: _____

ATTEST:

By: _____ By: _____

Its: _____ Its: _____

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, a notary public in and for said county and state, personally appeared _____ and _____, and in their capacity as _____ and _____ respectively, acknowledged before me that having read the foregoing executed same for the corporation on the day the same bears date.

(Seal)

Notary Public
My Commission Expires: _____

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, a notary public in and for said county and state, personally appeared _____ and _____, and in their capacity as _____ and _____ respectively, acknowledged before me that having read the foregoing executed same for the corporation on the day the same bears date.

(Seal)

Notary Public
My Commission Expires: _____

ALABAMA SECURITIES COMMISSION

By: _____

Its: _____

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, a notary public in and for said county and state, personally appeared _____ in h____ capacity as _____ and acknowledged before me that having read the foregoing executed same for the Alabama Securities Commission on the day the same bears date.

(Seal)

Notary Public
My Commission Expires: _____

I, _____, Treasurer of the State of Alabama, hereby acknowledge receipt of the securities described in the foregoing agreement, and covenant and agree that the same will be held by said Treasurer for the purposes and subject to the terms and conditions of said agreement.

TREASURER OF THE STATE OF ALABAMA

By: _____