



# State of North Carolina

OFFICE OF THE COMMISSIONER OF BANKS

## AGREEMENT TO DEPOSIT SECURITIES IN LIEU OF A SURETY BOND (Rev. 08/2025)

On \_\_\_\_\_ [date], this Agreement to Deposit Securities in Lieu of a Surety Bond (Agreement) is made and entered into between the following parties:

Licensee Name	
Licensee NMLS No.	
Commissioner	The North Carolina Commissioner of Banks
Custodian's Name	

1. The Licensee has applied for or currently has a license to engage in business as a money transmitter under the North Carolina Money Transmitters Act (MTA), [Article 16B](#) of Chapter 53 of the North Carolina General Statutes.

2. Pursuant to N.C. Gen. Stat. § [53-208.47\(f\)](#), in lieu of providing a surety bond, the Licensee may deposit with the Commissioner, or with any bank in North Carolina, designated by the Licensee and approved by the Commissioner, an aggregate amount, based upon principal amount or market value, whichever is lower, of not less than the amount of the surety bond or portion thereof, the following:

- Unencumbered cash.
- Unencumbered interest-bearing bonds.
- Unencumbered notes.
- Unencumbered debentures.
- Unencumbered obligations of the United States or any agency or instrumentality thereof, or guaranteed by the United States.
- Unencumbered obligations of this State or of any political subdivision of the State, or guaranteed by this State.

3. The securities or cash shall be held to secure the same obligations as the surety bond.

4. The Licensee has elected to deposit cash and securities with the Custodian in lieu of providing a surety bond.

5. The Custodian has agreed to be a repository for the cash and securities deposited by the Licensee, and to administer the same pursuant to the MTA and this Agreement.

NOW, THEREFORE, in consideration of the mutual provisions expressed herein, the parties agree as follows:

1. The Licensee has deposited with the Custodian the cash and securities described on Attachment 1 hereto.

2. The Licensee may, with written approval from the Commissioner, substitute different securities for those earlier deposited.

3. The Custodian shall hold and preserve all cash and securities deposited with it by the Licensee as a special deposit, free of any lien, charge, right of set-off, credit or other preference in connection with any claim of the Custodian against the Licensee. Pursuant to N.C. Gen. Stat. § [53-208.47\(i\)](#), the cash and securities deposited with the Custodian shall constitute a trust fund for the exclusive benefit of any purchaser or holder of the Licensee's outstanding payment instruments, stored value obligations, and money transmissions, in the event of the bankruptcy of the Licensee.

4. The Licensee is entitled to receive all of the interest and dividends earned on the cash or securities deposited with the Custodian unless or until the Custodian receives written notice to the contrary from the Commissioner. The Custodian shall deliver the cash and securities deposited under this Agreement to the Licensee only upon written direction from the Commissioner.

5. Any party intending to terminate this Agreement must provide ninety days (90) written notice to the other parties. Upon termination, the Custodian shall deliver the cash and securities held on deposit to such person(s) as the Commissioner and Licensee may jointly direct. If the Licensee intends to keep operating under the MTA, it shall obtain a new surety bond in accordance with N.C. Gen. Stat. § [53-208.47](#) before this Agreement is terminated.

6. The costs and expenses of the Custodian's performance under this Agreement shall be paid by the Licensee in such amounts as may be agreed to between the Custodian and the Licensee. Neither the Commissioner, nor the State of North Carolina, shall be required to pay for any expenses incurred or services rendered either by the Custodian or the Licensee hereunder.

7. Upon a determination by the Commissioner that the Licensee has breached its obligations under the MTA with respect to the receipt, handling, transmission, and payment of money or monetary value in connection with the sale or issuance of payment instruments, stored value obligations, or transmission of money, the Custodian shall, upon the written direction of the Commissioner, sell or otherwise dispose of any securities deposited hereunder, convert the same into cash, and pay and deliver the cash or proceeds to the Commissioner or such other person(s) as the Commissioner may direct.

8. Except as provided in Paragraph 7, the Custodian shall not deliver any cash or securities deposited hereunder to any person, entity, or authority who is not a party to this Agreement, unless ordered to do so by a court of competent jurisdiction. The Custodian shall give prompt written notice to the Commissioner and the Licensee of any demand or claim relating to or made upon the cash and securities deposited under the terms of this Agreement made by any person, entity, or authority who is not a party to this Agreement.

9. The Custodian shall make written reports to the Commissioner, at such times as the Commissioner may direct in writing, setting forth the types and values of the securities held under this Agreement, at the lower of principal amount or market value.

10. All approvals, notices, directions, and reports shall be mailed or delivered to the appropriate party hereunder at the address which appears in this Agreement, or at such other address as the party provided in writing to the other parties.

11. This Agreement is governed by the laws of the State of North Carolina and may not be modified except in writing, executed by all parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

<b>Licensee's Signature</b>	
Licensee's Name	
Address including city, state, and zip code	
Executive Officer's Name (Type)	
Executive Officer's Title	
Executive Officer's Phone Number (during business hours)	
Executive Officer's Email	
Executive Officer's Signature	
Date	

<b>Custodian's Signature</b>	
Custodian's Name	
Address including city, state, and zip code	
Executive Officer's Name (Type)	
Executive Officer's Title	
Executive Officer's Phone Number (during business hours)	
Executive Officer's Email	
Executive Officer's Signature	
Date	

<b>North Carolina Office of the Commissioner of Banks</b>	
Commissioner of Banks Signature or Designee	
Printed Name	
Title	
Date	

