

Bond Number: \_\_\_\_\_

**STATE OF OHIO DEPOSITORY BOND**  
**Ohio Revised Code § 135.18**

\_\_\_\_\_, with its principal office at, \_\_\_\_\_ (hereinafter “Principal”) and \_\_\_\_\_, a corporation organized and existing under the laws of the State of \_\_\_\_\_ and qualified to provide a surety bond for public deposits pursuant to Ohio Revised Code (“ORC”) § 135.18(D)(10) (hereinafter “Surety”), are held and firmly bound unto **Ohio Treasurer of State, 30 East Broad Street, 9<sup>th</sup> Floor, Columbus, OH 43215-3461, ATTN: DIRECTOR OF TRUST** (hereinafter “Obligee”) in the penal sum of the full amount of deposits in all accounts in the name of the Obligee held by the Principal; the Surety’s obligation, however, is in no event to exceed the penal sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_), unless increased under paragraph 5 below, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally. Collectively, the Obligee, Principal, and Surety shall be referred to as the “Parties”.

WHEREAS, in accordance with the provisions of the ORC Chapter 135, the Principal has been designated as a public depository and awarded public deposits from public depositors;

WHEREAS, the Principal and Obligee have entered into a Security Agreement to secure such public deposit(s); and

WHEREAS, the Obligee accepts this surety bond as eligible collateral pursuant to ORC § 135.18(D)(10).

NOW, THEREFORE, the condition of this obligation is such that the Principal shall pay over directly on order or warrant of the Obligee or other lawful authority, the public funds so deposited with the Principal; subject to the terms and conditions of the aforesaid public deposit(s); then this obligation shall be null and void, otherwise to remain in full force and effect, subject, however, to the following conditions:

1. The Surety shall only respond under this Bond in the event that the Principal is declared in Default (“Date of Default”). “Default” means the Principal shall be taken over by a regulatory authority (either state or federal), any omission or failure to perform a legal or contractual duty including, but not limited to, filing for bankruptcy or insolvency, acquisition by another institution that fails to perform, or failure to return public deposits to any public depositor, any other reason available by law, etc., and ordered liquidated or the deposits sold by the Federal Deposit Insurance Corporation (“FDIC) in such a manner that the FDIC refuses to sell or reimburse those deposits in excess of the FDIC insurance.
2. It is understood and agreed that the obligation of the Surety under this Bond is to only respond:

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- a. As excess coverage over the applicable FDIC limit of deposit insurance in force for the public deposit(s) as of the Date of Default or as such limit is otherwise determined by the FDIC (“FDIC Insurance Limit”);
  - b. As excess coverage for FDIC insured public deposits held by the Obligee; and
  - c. Upon the Surety’s receipt of: (1) an assignment of the receiver’s certificate(s) issued to the Obligee by the FDIC (“Receiver’s Certificate”) with respect to one or several of the FDIC insured accounts; or (2) if the Obligee has filed a claim in any applicable receivership of the Principal, a duly executed assignment of such Obligee’s claims from the Obligee to the Surety.
3. When all of the conditions precedent in paragraph 2 above have occurred, the Surety shall pay the Obligee the lesser of the amount in excess of the FDIC Insurance Limit specified in the Receivers Certificate(s) as uninsured by the FDIC or the penal sum of this bond.
  4. The term of this bond begins on the \_\_\_\_\_ and ends, as to all liability on the part of the Surety, on \_\_\_\_\_, or on thirty (30) days following receipt of written notice of cancellation by any party pursuant to paragraph 8.
  5. In the event of the failure of the Principal to satisfy the conditions stated above, this shall constitute default by the Principal under the terms of this bond. The Obligee shall give the Surety written notice of the Principal’s default within ten (10) days thereafter sent by registered mail to the Surety at its office located:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Within ninety (90) days of said default the Obligee shall send a verified statement of the facts, showing such default and the date thereof, delivered by registered mail to the Surety at the above address.

Within five (5) business days, upon the Surety’s verification, of receipt of such verified statement of the facts, the Surety will pay the amount of the Principal’s obligation to the Obligee, by registered mail to the address noted above. The Surety’s verification and check issuance period shall not exceed thirty (30) days.

If payment is not made to the Obligee within five (5) business days of receipt of notice of default, the Surety shall pay, in addition to the original obligation, interest which shall accrue on the obligation at a rate equal to the Federal Funds Rate as publicly announced to be in effect from time to time, such rate to be adjusted on the effective date of any change in such Federal Funds Rate.

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6. No suit, action, or proceedings shall be brought or instituted against the Surety after the expiration of one (1) year after such Default.
7. The Principal shall notify the Surety and the Obligee of the Principal's intention to consummate any consolidation or transfer of substantially all of the Principal's assets or merger of the Principal into any other bank or financial institution.
8. The Surety or Principal may cancel this bond at any time by giving thirty (30) days notice in writing by registered mail to the Parties, but such cancellation or termination shall not affect liability incurred or accrued prior to the effective date of such written notice.

SIGNED, SEALED AND DATED THIS \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**PRINCIPAL:** \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name and Title)

\_\_\_\_\_  
(Telephone Number)

**SURETY:** \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name and Title)

\_\_\_\_\_  
(Telephone Number)