

**State of Washington**  
**Department of Financial Institutions**  
**Securities Division**  
P.O. Box 41200  
Olympia, WA 98504-1200  
(360) 902-8760  
<http://www.dfi.wa.gov/sd>

**FRANCHISOR SURETY BOND**

**BOND NUMBER** \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

That, \_\_\_\_\_, as Principal, having filed with the Washington State Securities Division on or about the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, an application to offer or sell franchises in the State of Washington pursuant to RCW 19.100.040, and \_\_\_\_\_, as Surety, a corporation organized under the laws of the state of \_\_\_\_\_; and being duly authorized to transact the business of indemnity and suretyship in the State of Washington; do hereby acknowledge our indebtedness to the State of Washington, for the use and benefit of any person(s) having a claim under the conditions of this obligation, in the sum of One Hundred Thousand Dollars (\$100,000); provided, however, that the aggregate liabilities hereunder shall not exceed the sum of One Hundred Thousand Dollars (\$100,000), regardless of the number of claimants, and shall not be construed as individual liability.

Liability for the payment of this sum, to which we hereby obligate and bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, becomes effective upon the following conditions:

1. Approval by the Administrator of the Washington State Securities Division of the Principal's application to offer or sell franchises in this state; and
2. Failure by the Principal to strictly comply with all applicable provisions of, and all orders, rules, and regulations issued pursuant to, the Washington State Franchise Investment Protection Act, chapter 19.100 RCW.

This Bond shall expire at such time as the Principal's registration is withdrawn, terminates through non-renewal, or is revoked by the Securities Division except as to liabilities of the Principal arising prior to such time. This Bond may also be cancelled by the Surety upon 30 days written notice by registered mail to the Principal and to the Securities Division. At the end of the 30 day period, the Bond shall be deemed cancelled except as to liabilities of the Principal arising prior to the date of cancellation. The notice of cancellation shall be deemed effective and the 30 day period shall begin to run upon

receipt by the Securities Division of said notice and sufficient proof of receipt of said notice by the Principal.

It is understood that any person(s) having a claim under the conditions of this obligation may institute suit in any court of competent jurisdiction against the Principal and/or the Surety upon this Bond.

WITNESS OUR SIGNATURES, this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(Corporate Seal, if applicable)

\_\_\_\_\_  
Principal (type of print)

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

(Corporate Seal, if applicable)

\_\_\_\_\_  
Surety (type or print)

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Counter Signature

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

**PRINCIPAL ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )

ss.

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

\_\_\_\_\_ personally appeared before me stating that he is the \_\_\_\_\_ of \_\_\_\_\_, the above-mentioned Principal, that he executed this instrument for and in its behalf, by authority of its Board of Directors, that any seal affixed is the corporate seal of the Principal, and that this instrument and the execution thereof is a voluntary act of said corporation.

\_\_\_\_\_  
Notary Public

Residing in \_\_\_\_\_ County

My Commission expires \_\_\_\_\_

**SURETY ACKNOWLEDGMENT\***

STATE OF \_\_\_\_\_ )

ss.

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

\_\_\_\_\_ personally appeared before me stating that he is the \_\_\_\_\_ of \_\_\_\_\_, the above-mentioned Surety, that he executed this instrument for and in its behalf, by authority of its Board of Directors, that any seal affixed is the corporate seal of the Surety, and that this instrument and the execution thereof is a voluntary act of said corporation.

\_\_\_\_\_  
Notary Public

Residing in \_\_\_\_\_ County

My Commission expires \_\_\_\_\_

\*Acknowledgment not required if Bond subscribed by Attorney in Fact for the Surety. However, a true and correct copy of the Power of Attorney must be attached to this Bond.