Illinois Department of Financial and Professional Regulation

Division of Professional Regulation

Medical Cannabis Dispensing Organization

Surety Bond

Effective Date: _____ Dispensing Organization License Number: 280. _____

Dispensing Organization Name: _____

Dispensing Organization Address: _____

Name of Bonding Company: _____

Bonding Company Address: _____

Surety Bond Number: _____ Bonding Company Phone Number _____

KNOW ALL PERSONS BY THESE PRESENTS,
That we, _____ of the City of _____,
(Full Legal Name of Dispensing Organization, hereinafter the "Principal"),

County of _____, State of Illinois, as Principal, and_____
(Full Legal Name of Bonding Company)

of the City of _____, County of_____, State of _____, as a Surety business authorized to transact in the State of Illinois, are held and firmly bound unto the State of Illinois Department of Financial and Professional Regulation, Division of Professional Regulation (the "Division"), as Obligee, for any loss suffered by reason of the Principal's violation of the conditions applied under the medical cannabis dispensary license in the penal sum of **FIFTY THOUSAND DOLLARS ($50,000.00)**, the payment of which we jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that the Principal has applied for the issuance or renewal of a dispensing organization registration pursuant to the Illinois Compassionate Use of Medical Cannabis Patient Program Act ("Act"), 410 ILCS 130/1 *et. seq*, which registration or registration renewal shall be valid, if not suspended or revoked, for a registration period ending one year from the last day of the month of issuance of the registration or renewal and through which the Principal is required to give security pursuant to the Division's Illinois Administrative Rules, 68 IAC 1290;

NOW, THEREFORE, if the Principal is granted a registration by the State pursuant to the Act, during the term of said registration and any renewal thereof, the bond shall be used to guarantee that the Principal timely and successfully completes dispensary construction, operates in a manner that provides an uninterrupted supply of cannabis, faithfully pays registration renewal fees, keeps accurate books and records, makes regulatorily required reports, complies with State tax requirements, and conducts the dispensary in conformity with the Act and the Division's Illinois Administrative Rules, 68 IAC 1290.

IT IS FURTHER PROVIDED this bond is issued subject to the following express conditions:

1. This bond shall be deemed continuous in form and shall remain in full force and effect for the term of the initial bond and all subsequent terms, for all liabilities, acts, omissions or causes arising after this bond becomes effective until terminated as hereinafter provided.
2. This bond may be canceled by the Surety by giving thirty (30) days notice in writing to the Division and Principal(s) at the address last known to the Surety by certified mail at least thirty (30) days prior to the termination date specified in the notice and upon giving such notice, the Surety shall be discharged from all liability under this bond for any act or omission of the Principal occurring after such termination date.
3. If the Division determines, after a hearing pursuant to its Administrative Rules that the Principal has failed to comply with the terms herein, the Division, as Obligee, may proceed against the Principal or Surety herein, or both, for a right of action upon the bond and the Surety shall immediately make payment of the above penal sum to the Division.
4. Regardless of the number of years the bond remains in effect, the number of premiums paid, the number of renewals of the registration, the number of claimants or the number of claims made, the aggregate liability under the bond shall not exceed the amount of the bond.
5. The Principal and the Surety agree they shall not amend or modify the terms of this bond without prior written consent of the Division.

Executed in _____on this _____ day of _____, _____.
(City, State) (Month) (Year)

Principal (Authorized Agent)

By:_____
Signature of the Principal

_____
Printed Name and Title of Principal

Bonding Company (Authorized Agent)

By:_____
Signature of Attorney-in-Fact

_____
Printed Name of Attorney-in-Fact

Correspondence to Department of Financial and Professional Regulation shall be sent to:

Department of Financial and Professional Regulation, Division of Professional Regulation
555 W. Monroe, 8th floor
Chicago, IL 60661
FPR.MedicalCannabis@Illinois.gov

ACKNOWLEDGMENT OF SURETY

STATE OF _____)
)
COUNTY OF _____)

Seal

Subscribed and sworn before me:

_____
Signature of Notary Public and Date

Acknowledged and Approved by the Division:

By: _____ Name and Title: _____

Date: _____