

**APPENDIX 2
PENAL BOND**

1. TAKE NOTICE that I (we) _____

(herein called the Principal) as Principal and located at _____,
and we, _____ (herein called
the Surety) as Surety are held and firmly bound unto Her Majesty The Queen in
right of the Province of Manitoba (hereinafter called the Obligee) in the penal sum of
_____ Dollars (\$_____) in Canadian
currency, to be paid to the said Obligee, her successors and assigns, for which payment
well and truly to be made, we jointly and severally bind ourselves, our executors,
administrators, successors and assigns firmly by these presents.
2. SEALED with the respective seals of the Principal and of the Surety and dated the
_____ day of _____, 20_____.
3. NOW THE CONDITION of the above obligation is such that if the said obligation
does not by reason of any act, matter or thing at any time hereafter become or be
forfeit under subsection 12(1) of the *Payday Loans Regulation* under *The Consumer
Protection Act*, then the said obligation shall be void but otherwise shall be and remain
in full force and effect and shall be subject to forfeiture as provided by the said Act or
Regulation.
4. The Director of the Consumer Protection Office (hereinafter called “The Director”) may order forfeiture of this penal bond, in whole or in part, by giving written notice to that effect to the Principal, in the event of any claims or expenses arising from any breach, failure or other circumstances set out in subsection 12(1) of the *Payday Loans Regulation* made under *The Consumer Protection Act*. A copy of the written notice to the Principal, provided to the Surety by the Director, shall be sufficient to collect payment from the Surety. Notice of any claim shall be given to the Surety within two years following the date on which the Principal was deemed responsible for any breach, failure or other circumstances set out in subsection 12(1) of the *Payday Loans Regulation* made under *The Consumer Protection Act*.
5. PROVIDED that if the said Principal or Surety at any time gives 90 days notice in writing to the Director of the Consumer Protection Office of intention to terminate the obligation hereby undertaken, then this obligation shall cease and determine in respect only of any act, matter or thing taking place, arising or done subsequent to the date named in the notice of termination of the obligation hereby undertaken but shall remain in full force and effect in respect of all acts, matters and things taking place, arising or done from the date hereof to the date of such termination. Notice of any claim hereunder shall be given to the Surety within two years following the date of termination as herein provided.

SIGNED, SEALED and DELIVERED

in the presence of:

Principal _____

Witness _____

Principal _____

SIGNED, SEALED and DELIVERED

in the presence of:

Witness _____

Surety _____