

WAC 208-690-040 Surety bond—Money transmitters. What are the bonding requirements?

(1) You must continuously maintain a surety bond as required by RCW 19.230.050, issued by a company authorized to do surety business in this state, as a surety. The surety may not be a wholly owned subsidiary or affiliate of the applicant or licensee.

(2) The penal sum of the bond must be calculated quarterly during the first year of licensing and thereafter annually. The calculation must be based on the previous twelve months' money transmission and payment instrument dollar volume. The bond amount must be calculated at ten thousand dollars for every one million dollars of money transmission and payment instrument dollar volume. The minimum surety bond amount is ten thousand dollars. The maximum surety bond amount is five hundred fifty thousand dollars.

(3) The initial bond amount will be ten thousand dollars and must be reevaluated based on the schedule set forth in subsection (2) of this section.

(4) Depending on the financial services you provide, you may be required to hold the bond for up to five years after the date you cease to provide money services in this state.

(5) The director may provide an alternative to a bond under certain circumstances that would not compromise consumer protection or allow the company to operate in an unsafe or unsound manner.

[Statutory Authority: RCW 43.320.040 and 19.230.310. WSR 18-13-108, § 208-690-040, filed 6/19/18, effective 8/1/18; WSR 16-14-022, § 208-690-040, filed 6/27/16, effective 8/1/16; WSR 13-24-021, § 208-690-040, filed 11/22/13, effective 1/1/14. Statutory Authority: RCW 43.320.040, 19.230.310, 2010 c 37. WSR 10-20-123, § 208-690-040, filed 10/5/10, effective 11/5/10. Statutory Authority: RCW 19.230.310 and 43.320.040. WSR 04-15-005, § 208-690-040, filed 7/7/04, effective 8/7/04.]