

1 AN ACT concerning currency exchanges.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Currency Exchange Act is amended by
5 changing Section 5 as follows:

6 (205 ILCS 405/5) (from Ch. 17, par. 4812)

7 Sec. 5. Bond; condition; amount.

8 (a) Before any license shall be issued to a community
9 currency exchange the applicant shall file annually with and
10 have approved by the Director a surety bond, issued by a
11 bonding company authorized to do business in this State in
12 the principal sum of \$10,000. Such bond shall run to the
13 Director and shall be for the benefit of any creditors of
14 such currency exchange for any liability incurred by the
15 currency exchange on any money orders issued or sold by the
16 currency exchange and for any liability incurred by the
17 currency exchange for any sum or sums due to any payee or
18 endorsee of any check, draft or money order left with the
19 currency exchange for collection, and for any liability
20 incurred by the currency exchange in connection with the
21 rendering of any of the services referred to in Section 3 of
22 this Act.

23 From time to time the Director may determine the amount
24 of liabilities as described herein and shall require the
25 licensee to file a bond in an additional sum if the same is
26 determined to be necessary in accordance with the
27 requirements of this Section. In no case shall the bond be
28 less than the initial \$10,000, nor more than the outstanding
29 liabilities.

30 (b) In lieu of the surety bond requirements of
31 subsection (a), a community currency exchange licensee may

1 submit evidence satisfactory to the Director that the
2 community currency exchange licensee is covered by a blanket
3 bond that covers multiple licensees who are members of a
4 statewide association of community currency exchanges. Such
5 a blanket bond must be issued by a bonding company authorized
6 to do business in this State and in a principal aggregate sum
7 of not less than \$2,000,000.

8 (c) An ambulatory currency exchange may sell or issue
9 money orders at any location with regard to which it is
10 issued a license pursuant to this Act, including existing
11 licensed locations, without the necessity of a further
12 application or hearing and without regard to any exceptions
13 contained in existing licenses, upon the filing with the
14 Director of a surety bond approved by the Director and issued
15 by a bonding company or insurance company authorized to do
16 business in Illinois, in the principal sum of \$100,000. Such
17 bond may be a blanket bond covering all locations at which
18 the ambulatory currency exchange may sell or issue money
19 orders, and shall run to the Director for the use and benefit
20 of any creditors of such ambulatory currency exchange for any
21 liability incurred by the ambulatory currency exchange on any
22 money orders issued or sold by it. Such bond shall be renewed
23 annually. If after the expiration of one year from the date
24 of approval of such bond by the Director, it shall appear
25 that the average amount of such liability during the year has
26 exceeded \$100,000, the Director shall require the licensee to
27 furnish a bond for the ensuing year, to be approved by the
28 Director, for an additional principal sum of \$1,000 for each
29 \$1,000 of such liability or fraction thereof in excess of the
30 original \$100,000, except that the maximum amount of such
31 bond shall not be required to exceed \$250,000.

32 (Source: P.A. 86-432.)

33 Section 99. Effective date. This Act takes effect upon

1 becoming law.