



<b>Bond Number</b>

**EXCISE BOND (sample)**

Pursuant to the legislation governing the excise activities identified below, we the "principal" and "co-principal" and "surety" jointly and severally bind ourselves, our respective heirs, executors, administrators, successors, and assigns in the amount stated below unto Her Majesty in right of Canada, her heirs and successors as represented by the Minister of National Revenue of Canada. We the principal and co-principal further acknowledge that we are required to furnish and maintain security in the amount noted.

**1. Activity to be secured**

**2. Legislative authority**

**3. Bond amount (in words and in numbers)**

The condition of the above written obligation is such that if the obligation imposed by these legislative authorities is well and truly performed, then this obligation shall be void and of no effect but otherwise shall be and remain in full force, virtue and effect. Notwithstanding the foregoing, it is understood and agreed that the liability of the surety under this bond shall be limited to the amount stated herein and shall not be cumulative during the existence of the bond.

**4. Specify the period of validity of this bond as determined by the relevant regulations (check one box only)**

- (a)  continuous bond – effective date: \_\_\_\_\_ (yyyy-mm-dd)
- (b)  bond for a specified period – commencing on \_\_\_\_\_ and terminating on \_\_\_\_\_  
(yyyy-mm-dd) (yyyy-mm-dd)

**5. Terms**

(a) Provided that the surety gives the Minister sixty days' notice by registered mail of its intention to terminate the obligation undertaken, then this obligation and all liability shall cease insofar as any act of dealing by the principal and co-principal\* subsequent to the termination date is concerned, but otherwise shall remain in full force and effect.

(b) The liability of the principal and co-principal\* and of the surety hereunder shall arise upon receipt by the surety of a written demand from the Canada Customs and Revenue Agency (CCRA) containing documentation to substantiate the claim. However, if the principal and co-principal\* or the surety provides, within sixty days of the date of such demand, evidence to disprove the claim, then such liability, if any, arises on the date of the notice confirming that the demand is valid. All such demands shall be given to the surety within one year following the date of termination of this bond.

6. In witness whereof the principal and co-principal\* has/have hereunto set their hand and seal and the surety has caused these present to be sealed with its corporate seal, attested to by the signature of its duly authorized officials on the day and year indicated below. We the principal and co-principal\* further testify that we have read and understand the relevant legislation indicated herein, and hereby undertake to be strictly governed by the provisions thereof.

<b>Principal (name and address)</b>	<b>Co-principal* (name and address)</b>
<b>Title</b>	<b>Title</b>
<b>Signature and seal</b>	<b>Signature and seal</b>
<b>Surety (name and address)</b>	
<b>Title</b>	
<b>Signature and seal</b>	

7. Signed, sealed and delivered in the presence of \_\_\_\_\_  
(witness for the principal and co-principal\*)

8. Dated this \_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_ .



\* if applicable

## COMPLETION INSTRUCTIONS FOR THE EXCISE BOND

**Bond number** – The surety company or bank shall enter the number assigned to the bond.

The surety company or the bank shall enter the first paragraph using the same wording as the sample bond form.

1. **Activity to be secured** – The surety company or bank shall enter the type of licence the applicant/co-applicant is applying for (i.e., spirits licence or tobacco licence).
2. **Legislative authority** – The surety company or bank shall make reference to section 14 of the *Excise Act, 2001* (Chapter 22, RSC). Refer to paragraph 14(1)(a) for a spirits licence, or paragraph 14(1)(d) for a tobacco licence.
3. **Bond amount** – Enter the amount of the security required in Canadian dollars, in words and numbers (e.g., five thousand dollars – \$5,000.00 in Canadian funds).

The surety company or bank shall enter the second paragraph using the same wording as the sample bond form.

4. **Specify the period of validity of this bond as determined by the relevant regulations (*check one box only*)** – Since the majority of spirits and tobacco licensees are continuing operations, notwithstanding the requirement to reapply every two years, choose box (a) or (b):
  - (a) **Continuous bond** – it is recommended to select box (a) to facilitate the re-issuance of the licence every two years. Enter the effective date (*yyyy-mm-dd*).
  - (b) **Bond for a specified period** – where it is necessary to have a bond for a shorter or limited time period, it is recommended to select box (b). Enter the commencing date (*yyyy-mm-dd*) and terminating date (*yyyy-mm-dd*).
5. **Terms**

The surety company or bank shall enter the same paragraphs as in 5(a) and (b) using the same wording as the sample bond form.

6. The surety company or bank shall enter paragraph 6 using the same wording as the sample bond form.

### Identification of principal/co-principal\*

Enter the applicant's full legal name, mailing address and title (this should be the same as the identification of principal/co-principal\* on application form L63, *Licence and Registration Application Excise Act, 2001*).

### Signature and seal

The bond form must bear the signature(s) of duly authorized officers of the principal indicating names and titles and impressed with the corporate seal if available.

### Surety (*name and address*)

The bond must bear the complete legal name of the surety (e.g., insurance company, bank) and must be impressed with the surety's corporate seal.

7. **Signed, sealed and delivered in the presence of (*witness for the principal and co-principal\**)** – Only duly authorized officers of the applicant and/or co-applicant may sign the bond.
8. **Dated this \_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_**  
Enter the day, month and year the bond is signed by the principal/co-principal\*.

\*if applicable