

-----Original Message-----

From: Karen Schultz <score4kids@gmail.com>

Sent: Friday, December 11, 2020 9:32 PM

To: Markee, Kimberly <kmarkee@waterfordmi.gov>

Subject: Bonds

Can you please explain the difference between the two different bonds in the application? Is it one or the other or both? Thank you, Karen

TOWNSHIP RESPONSE

Section 10-301(b)(23) of the Medical Marihuana Facility Licensing Ordinance requires a \$10,000.00 bond to be provided as part of an Application for a Facility License. Only one bond is required and it may be in the form of cash, surety bond, or irrevocable bank letter of credit, the language of which has been approved in advance by the Township.

Language for each of those types of bonds that has been approved by the Township are in Exhibits C, D, and E of the Township Board's November 23, 2020, Resolution Approving Medical Marihuana Facility License Procedures, Forms, and Fees that may be found on the Township website under Business and then going to Medical Marihuana Facility Licensing.

As the name implies, an irrevocable bank letter of credit is issued by a bank. A surety bond is provided by the license applicant as the Principal, and most often an insurance company as the Surety.