

Attachment 1

The TAANZ Bonding Scheme Requirements for Bonding

Category	A	B	C
Requirements	New members (For 2 years)	Up to \$10m T/O	\$10m and over T/O
Opening Financial Statement/Budget	X		
Capital Adequacy Test – \$40,000 Minimum	X		
Remittance Period			
7 day mandatory	X		
7 or 14 day option		X	X
Bond Amount (% x turnover)			
4% mandatory	X		
7 day remittance 2.66%, or		X	X
14 day remittance 4.00%		X	X
Bonding Security			
Mandatory	X	X	X
Negotiable			
Bond Limit			
7 day remittance – \$500K	X	X	X

14 day remittance – \$750 K	X	X	X
Bonding Reporting Frequency			
Annual			
6 monthly	X	X	
3 monthly			X
Annual Bonding Requirements			
Financial Statements	X	X	X
Independent Verification			X
Maintain Capital Adequacy	X		
Financial Criteria – self-assessment		X	X
Directors Statutory Declarations:			
Solvency	X	X	X
Turnover/client funds	X	X	X
Interim Reporting Requirements			
Financial Statements	X	X	X
Statutory Declaration by Directors	X	X	X
Costs-New Bonded Location Levy	X		
Retail Staff Levy	X	X	X