

VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

OFFICE OF CHARITABLE AND REGULATORY PROGRAMS

PO Box 526 • Richmond, VA 23218-0526

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Revised 06/21

HOME SERVICE CONTRACT PROVIDER BOND

STATE OF _____

BOND NUMBER _____

COUNTY/CITY OF _____

KNOW ALL PEOPLE BY THIS DOCUMENT: That we _____
(Name of Home Service Provider)

of _____
(Business Address)

as **Principal**, and _____
(Name of Surety Company)

of _____
(Address of Surety Company)

as Surety authorized to transact business in Virginia, are held and firmly bound unto the COMMONWEALTH OF VIRGINIA, for the use and benefit of every person establishing legal rights hereunder, in the full and just sum of _____ THOUSAND DOLLARS AND ZERO CENTS,

(Amount in Words)

(\$ _____) to the payment of which we hereby bind ourselves, our heirs, administrators, executors, successors and assigns firmly by this document.

(Amount in Figures)

WHEREAS, by §59.1-434.3, Code of Virginia, Home Service Contract Provider/Obligors are required to give bond in the amount specified in such form as shall be approved by the Commissioner of the Virginia Department of Agriculture and Consumer Services, conditioned upon a full compliance with the provisions of the said Code as amended.

NOW, THEREFORE, the condition of this obligation is such that if the above-named principal shall faithfully and truly fulfill all of its home service contracts as defined in §59.1-434.1, and meet all other requirements of the Virginia Home Service Contract Act, then this obligation shall be cancelled and terminated, thereby releasing Surety from all liability, otherwise to remain in full force and effect..

The aggregate accumulated liability under this bond shall in no event exceed the penal sum named herein, for any and all claims which may accrue during the term hereof. This bond applies solely to the principal's obligations relating to the doing of business under the Home Service Contract Act.

This bond shall become effective on the ___ day of _____, 20___, at twelve and one minute o'clock A.M., Eastern Time, and continues in effect until the Surety withdraws from this bond by giving 60 days advance written notice by registered mail to the Commissioner of the Virginia Department of Agriculture and Consumer Services, thereby releasing the Surety from accruing future liability beyond the effective date of withdrawal. Such withdrawal shall not release said Surety or otherwise cancel or terminate any liability existing hereunder at the time of the effective date of the said withdrawal, and further provided that said 60 days shall begin to run on the date following the Commissioner's receipt of notice.

More particularly, all home service contracts existing on the effective date of Surety's execution of this bond through its withdrawal shall continue to be protected by this bond, even though no cause of action has accrued at the time of the withdrawal, until the expiration of each such contract, or the running of the statute of limitations on actions claiming against this bond, whichever is later.

Signed, sealed and dated this _____ day of _____, 20____.

_____(SEAL)
Principal

_____(SEAL)
Surety

By

By

Signed and acknowledged by Surety's agent _____ before
me this _____ day of _____, 20____.

My Commission expires: _____

Notary Public

When completed, this bond should be mailed to the Virginia Department of Agriculture and Consumer Services, Attention: Office of Charitable and Regulatory Programs, Oliver Hill Building, 102 Governor Street, LL, Richmond, VA, 23219.

I. INFORMATION FOR THE PREPARATION AND EXECUTION OF THIS BOND

- A. The legal name of principal on the bond should be fully and correctly stated and should precisely agree with the name of applicant on its local business license or articles of incorporation. (Any material variation may delay acceptance of bond).
- B. The name in which business is conducted should follow the name or names of the principal where the applicant does business under a fictitious name.

Examples:

Individual operating in own name: "Henry Smith"

Individual owner operating in another name: "Henry Smith d/b/a City Home Service Contract Provider"

Partners operating in another name: "John Doe, Richard Doe, and Mary Doe d/b/a Contract Provider"

Corporation operating in own name: "Chase Company (a corporation)"

Corporation operating in another name: "John Doe Enterprises, Inc. d/b/a Superior Contract Provider"

II. EXECUTION BY PRINCIPAL

If the principal of this bond is:

- A. An individual: this bond must be signed by the principal
- B. A partnership: this bond must be executed in the name of the partnership, and must be signed by at least one of the partners
- C. A corporation: this bond must be executed in the name of the corporation, and signed by its President or Vice President, with an impression of corporate seal affixed, and attested to by the Secretary or Assistant Secretary of the corporation.

III. EXECUTION BY SURETY

- A. This bond must be executed by a properly authorized person, whose title must be shown, with an impression of the corporate seal of the surety affixed; and
- B. Attach an original or certified copy of Power-of-Attorney authorizing said execution.

IV. DEFINITIONS & TERMS OF BOND

For the purposes of this bond form and in order to define the terms of this bond, or otherwise to comply with the terminology of the Virginia Home Service Contract Act, §59.1-434.1 et. seq., the following definitions shall prevail:

Withdraw: Shall mean to free Surety from accruing future liability beyond the effective date of withdrawal. Requires 60 days written notice and becomes effective 60 days from receipt of notice.

Cancel: Shall mean to free or release Surety from all liability under the bond. Requires the written consent of the Commissioner of the Department of Agriculture and Consumer Services.

Terminate: Shall mean to free or release Surety from all liability under the bond. Requires the written consent of the Commissioner of the Department of Agriculture and Consumer Services.