

**SURETY BOND - SAMPLE FORM**

Bond Issuing Company:

\_\_\_\_\_

Bond Number:

\_\_\_\_\_

We, \_\_\_\_\_  
Name, including Trade Name of Telemarketing Entity

\_\_\_\_\_  
Address, including location of Telemarketing Entity

as Principal, and \_\_\_\_\_  
Surety Company

\_\_\_\_\_  
Address

as surety authorized to do business in the Commonwealth of Pennsylvania, are held and firmly bound to the Commonwealth of Pennsylvania and to buyers of telemarketing products who sustain any loss or damage as a result of transactions with or bankruptcy of the above telemarketing entity. This bond has been undertaken by the principal in the amount of \_\_\_\_\_ (\$ ) for the payment of which we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally.

**PURPOSE AND PROTECTION APPROVED**

This bond is issued pursuant to 73 P.S. § 2244 (6), for the exclusive purpose of providing refunds and restitution to consumers who contract to buy goods or services from telemarketers and shall not be deemed an asset of the telemarketing entity for bankruptcy or any other purpose.

**BUYER RECOVERY**

In the event the principal declares bankruptcy, or the principal breaches the terms of a contract for sale of goods or services or the requirements for telemarketing entities as set forth in Pennsylvania law, and after giving written notice of a claim to the principal, the injured buyer has not received a refund from the principal within thirty (30) days of said notice, then the buyer may file a claim with the surety. If the claim is not paid within forty-five (45) days, the buyer may bring an action based on this bond and recover against the surety.

STATUTE OF LIMITATIONS

Any buyer claim under this bond shall be filed no later than six (6) months from the date on which the injury occurred.

LIMITATION ON LIABILITY OF SURETY

The aggregate liability of this bond to all persons for all breaches of the conditions of the bond shall in no event exceed the amount of this bond. If claims filed exceed the amount of this bond, the surety shall distribute the amount of the bond as a standard percentage of the amount claimed by all buyers seeking relief under this bond.

DURATION OF BOND

This bond may be canceled by the surety at any time upon giving ninety (90) days written notice to the principal and the Director of the Pennsylvania Public Protection Division. Notice must be given by registered mail or certified mail-return receipt requested. Cancellation of this bond shall not release the surety from liability under telemarketing sales contracts entered into during the time period when this bond was in effect, and this bond shall remain in effect with regard to all such contracts until their date of expiration.

Signed, sealed and dated the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ .

\_\_\_\_\_  
Principal (Seal)

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

By: \_\_\_\_\_

**SEAL OF SURETY**