

How to Execute a Bond Overview

Surety bonds come in many forms with different wording depending on the type of obligation and the obligee. Sometimes, it is unclear what information should go in which field. To minimize confusion when it comes to properly executing a surety bond, please see the sample bond form below. This sample form includes a number key which outlines the correct way to complete a surety bond.


Upon completion of the bond form, please be sure to:

- Seal the bond using Travelers' stamp or steel seal on or near the signature section of the bond form;
- Attach and date a current Power of Attorney; and
- Attach any financial statements or disclosure statements that may be required by the obligee on the bond.

We hope these instructions make the process of executing a bond easier for you. If you have any additional questions on how to execute a bond, please contact your local underwriter for further guidance.

Sample Bond Form ►

- Bond number.** Travelers bond numbers are 9 digits and typically begin with 10 _____. Your local bond office will provide you with a block of preassigned bond numbers to use. Be sure to account for and keep a record of all bond numbers assigned to your agency.
- Principal name.** The Principal is your customer who is required to post the surety bond.
- Underwriting (surety) company name.** Travelers primary underwriting company for surety bonds is Travelers Casualty and Surety Company of America. In most cases, bonds should be executed in the name of Travelers Casualty and Surety Company of America, unless directed otherwise. If the bond you are executing is for an obligation outside of the U.S., please call your local office for assistance.
- State.** The state in which the bond is being written and executed.
- Obligee.** The party to whom a bond is given to or required by (i.e., beneficiary of the bond). An Obligee may be a person, firm, corporation, or government agency.
- Penal sum.** The amount of the bond which must be written in word format (i.e., "One Hundred Thousand and 00/100").
- Penal sum.** The amount of the bond which must be written in numeric format (i.e., "\$100,000.00").
- Obligation description.** A description of the type of bond that is required by the Obligee.
- Effective date.** The date the bond will go into effect. In some cases it may need to match the date the contract or underlying agreement was executed.
- Execution date.** The date the bond is executed.
- Name of principal.** Typed name of Principal.
- Principal signature.** Wet signature of Principal.
- Underwriting (surety) company name.** Typed name of underwriting company, i.e. Travelers Casualty and Surety Company of America.
- Attorney-in-fact signature.** Signature of Attorney-in-fact.
- Attorney-in-fact.** Typed name of Attorney-in-fact.



BOND
(License or Permit - Continuous)

Bond No. 10499999 ¹

KNOW ALL MEN BY THESE PRESENTS:

THAT WE Principal Name, Inc. ² as Principal, and Travelers Casualty and Surety Company of America ³, a corporation duly incorporated under the laws of the State of Connecticut and authorized to do business in the State of Massachusetts ⁴, as Surety, are held and firmly bound unto City of Boston, Massachusetts ⁵, as Obligee, in the penal sum of Ten Thousand and NO/100 ⁶ (\$10,000.00 ⁷) Dollars, for the payment of which we hereby bind ourselves, our heirs, executors and administrators, jointly and severally, firmly by these presents.

WHEREAS, the Principal has needed or is about to obtain a license or permit for a street opening (permit #123) ⁸

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that if the Principal shall faithfully perform all duties and protect said Obligee from any damage caused by the Principal's non-compliance with or breach of any laws, statutes, ordinances, rules or regulations, pertaining to the license or permit issued, then this obligation shall be null and void; otherwise to remain in full force and effect.

This bond shall become effective on January 1, 2010 ⁹.

PROVIDED, that regardless of the number of years this bond is in force, the Surety shall not be liable hereunder for a larger amount, in the aggregate, than the penal sum listed above.

PROVIDED FURTHER, that the Surety may terminate its liability hereunder as to future acts of the Principal at any time by giving thirty (30) days written notice of such termination to the Obligee.

SIGNED, SEALED AND DATED this December 15, 2009 ¹⁰

Principal Name, Inc. ¹¹

Principal ¹²

Travelers Casualty and Surety Company of America ¹³

By: Betty Bond ¹⁴ Attorney-in-fact ¹⁵

S-2151A (2/00)



Travelers Casualty and Surety Company of America and its property casualty affiliates
One Tower Square
Hartford, CT 06183

travelersbond.com

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

© 2010 The Travelers Indemnity Company. All rights reserved. 59605 Rev 5-10