

# MARYLAND HOME BUILDER SURETY BOND

BOND NUMBER: \_\_\_\_\_ [bond number here]

\_\_\_\_\_  
[full legal name of surety company],  
(herein "Surety"), authorized to do business in the State of Maryland, hereby agrees to pay to the State of  
Maryland, (herein "Beneficiary"), the amount of

\_\_\_\_\_ dollars (\$ \_\_\_\_\_) [amount of bond]  
for the use and benefit of consumers whose payments to

\_\_\_\_\_ [full legal name of Home Builder or  
Seller, as defined in Note 1 and Note 2 below], MHBR # \_\_\_\_\_, are protected by the provisions of  
Real Property Article, Title 10, Subtitles 3 or 5, Annotated Code of Maryland.

\_\_\_\_\_ [full legal name of surety company]  
binds itself and its heirs, executors, administrators, successors and assigns, jointly and severally, to the  
payment of this bond.

**Covered Entities:** This bond has been undertaken by \_\_\_\_\_  
\_\_\_\_\_ [full legal name of Home Builder or Seller] to secure the obligations of itself, and, unless  
expressly excluded below, any sole proprietorship, corporation, limited liability company, partnership,  
joint venture, or other entity, including all subsidiaries, successors and assigns, through which the Home  
Builder or Seller, directly or indirectly, builds or sells new homes in Maryland, under Real Property  
Article, Title 10, Subtitles 3 or 5, Annotated Code of Maryland.

Legal name and address of each Excluded Entity: [there are no excluded entities unless stated here].

**Term:** The term of this bond commences on \_\_\_\_\_ [date bond commences],  
and is in full force and effect until cancelled as provided herein.

**Cancellations and Amendments:** The Surety shall give forty-five (45) days written notice to the  
Consumer Protection Division, Office of the Maryland Attorney General, by certified mail, return receipt  
requested, at the notice address provided herein, before canceling, reducing the amount, or reducing the  
coverage of this Bond. The Surety shall promptly notify the Consumer Protection Division by certified  
mail, return receipt requested, at the notice address provided herein, of any other amendments or increases  
in bond amount or coverage.

**Claims upon Bond:** The State of Maryland shall make claims upon the bond by written demand to the  
Surety no later than one (1) year after the cancellation of the bond. A claim shall be accompanied by a  
certification, executed by the Consumer Protection Division, that the Consumer Protection Division has  
reason to believe that consumer deposits are at risk because:

- (1) A consumer is entitled to the return of sums paid to the Home Builder or Seller as provided  
under Real Property Article, Title 10, Subtitles 3 or 5, Annotated Code of Maryland; or
- (2) The Home Builder or Seller has violated the provisions of Real Property Article, Title 10,  
Subtitles 3 or 5, Annotated Code of Maryland; or
- (3) The Home Builder or Seller has filed for bankruptcy, or
- (4) The Home Builder or Seller has ceased operations in the State of Maryland; or
- (5) The Consumer Protection Division has received notice that the bond will be canceled and will  
not be renewed, and the Home Builder or Seller has not secured the consumers' payments as  
required by Real Property Title 10, Subtitles 3 or 5, Annotated Code of Maryland.

Within thirty (30) days of receipt of a claim and certification, the Surety shall pay the amount of the claim, up to the full amount of the bond, to the State of Maryland. Upon payment of the full amount of the bond to the State of Maryland, the Surety is relieved of its liabilities under this bond.

**Notices:** Any written notices or communications shall be provided to the following persons:

**For the SURETY:**

\_\_\_\_\_ [full legal name of the Surety Company]  
\_\_\_\_\_ [street address of the Surety]  
\_\_\_\_\_ [city, state, zip code of the Surety]  
\_\_\_\_\_ [name or title of contact person of the Surety]  
\_\_\_\_\_ [telephone] \_\_\_\_\_ [fax] \_\_\_\_\_ [email]

**For the HOME BUILDER OR SELLER:**

\_\_\_\_\_ [full legal name of the Home Builder or Seller]  
\_\_\_\_\_ [street address of the Home Builder or Seller]  
\_\_\_\_\_ [city, state, zip code of the Home Builder or Seller]  
\_\_\_\_\_ [name or title of contact person of the Home Builder or Seller]  
\_\_\_\_\_ [telephone] \_\_\_\_\_ [fax] \_\_\_\_\_ [email]

**For the STATE OF MARYLAND:**

Administrator, Home Builder Registration Unit, Consumer Protection Division, Office of the Attorney General, 200 St. Paul Place, Baltimore, Maryland 21202, Telephone: (410) 576-6573, Fax: (410) 576-6566, Email: [homebuilder@oag.state.md.us](mailto:homebuilder@oag.state.md.us).

Signed, sealed and dated this \_\_\_\_ day of \_\_\_\_\_ [month] in the year \_\_\_\_\_.

\_\_\_\_\_ [full legal name of Surety Company].

By: \_\_\_\_\_  
Authorized **Signature** of Surety  
Printed Name of Signatory: \_\_\_\_\_  
Title of Signatory \_\_\_\_\_  
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Note 1: "Home Builder" has the meaning stated in Business Regulation Article, § 4.5-101 (f), Annotated Code of Maryland.

Note 2: "Seller" means a vendor subject to Real Property Article, Title 10, Subtitle 3, Annotated Code of Maryland.