

LONG TERM CARE FACILITIES RESIDENT'S FUND BOND

Bond No.

KNOW ALL BY THESE PRESENTS, That we,

As Principal and the _____ a surety company organized under the laws of the State of _____ and authorized to transact business as surety in the State of Virginia, as Surety, are held and firmly bound unto the Secretary of the United States Department of Health and Human Services and his successors in said office, as Obligee, in the total penal sum of

(\$ _____) lawful money of the United States of America, for which sum well and truly to be paid said Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above named Principal is, or is the operator of, a nursing facility for the aged as defined by Health Care Financing Administration, Health and Human Services Code of Federal Regulations. The Provision at 42.CFR 483.10 (c) (7) requires each licensee or licensee-applicant to post a surety bond, in an amount equal to the average balance of residents' fund held by such licensee or licensee-applicant, conditioned as set forth hereinbelow;

NOW, THEREFORE the condition of this obligation is such that if the above-named Principal shall: (1) well and truly hold separately and in trust all residents' funds deposited with Principal as, or as the operator of, a nursing facility or home for the aged; and (2) shall administer said funds on behalf of said residents in the manner directed by depositors thereof; and (3) shall render true and complete accounts to the residents, the depositors and the obligee when requested; and (4) upon termination of each said deposit, shall account for all funds received thereunder, expended and held on hand, then this obligation shall be null and void, otherwise to remain in full force and effect.

This bond is executed and accepted subject to the following five (5) conditions:

1. The Secretary of the United States Department of Health and Human Services, acting on behalf of and in lieu of the state of Virginia, Department of Health or, any aggrieved patient or depositor with the Secretary's written consent, may sue on this bond to recover for Principal's alleged breaches of the condition hereof, in any court of competent jurisdiction in the State of Virginia.
2. Regardless of the number of years this bond shall continue in force and the number of premiums which shall be payable or paid, the limit of Surety's liability hereunder, as specified herein or in any amendatory rider made a part hereof, shall not be cumulative from year to year, period to period or license to license.
3. The liability of Surety hereunder shall never exceed the amount of the total sum of this bond, regardless of the number of claimants hereunder, and when Surety shall have paid that amount, whether in one payment or the aggregate of several payments for, upon or by reason of one or several breaches of the condition hereof, the liability of Surety shall immediately cease.
4. This bond shall apply only to residents' funds held by said Principal on or at any time after, the effective date hereof, and before the effective date of termination hereof, as hereinafter provided.

5. This bond shall be effective as of 12:01AM and shall continue in force and effect until terminated either by
(a) release by the United States Department of Health and Human Services, or
(b) cancellation by either Principal or Surety, to be effective by giving of thirty (30) days' notice in writing by Certified United States Mail to the other party and to the United States Department of Health and Human Services.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their hands and seals this
Day of , .

(Surety company to insert seal, surety information)

SAMPLE
WWW.SINC.COM

SURETY BOND APPLICATION

AGENCY NAME: _____ AGENCY CONTACT _____
 AGENCY PHONE: _____ AGENCY FAX: _____ E-MAIL: _____
 AGENCY ADDRESS: _____
(Street) (City) (State) (Zip)

CURRENT OR EXPIRING QUOTE WE ARE LOOKING TO BEAT? _____
NAME OF PREVIOUS SURETY COMPANY WRITING THE BOND? _____

SECTION I: BOND APPLIED FOR:

TYPE OF BOND: _____ AMOUNT: _____
 OBLIGEE: _____ EFF. DATE: _____ EXP. DATE: _____
 OBLIGEE ADDRESS: _____
(Street) (City) (State) (Zip)
 BUSINESS NAME: _____
 BUSINESS PHONE: _____ BUSINESS FAX: _____ Client E-mail _____
 BUSINESS ADDRESS: _____
(Street) (City) (State) (Zip)
 TYPE OF COMPANY CORP LLC DBA PARTNERSHIP HOW MANY OWNERS? _____

DATE BUSINESS ESTABLISHED: _____ BUSINESS TAX ID: _____
 HAS ANY COMPANY REFUSED TO ISSUE BONDS FOR ANY PURPOSE? YES NO DO YOU HAVE ANY LIENS, CLAIMS, OR JUDGEMENTS AGAINST YOU? YES NO
 HAS APPLICANT EVER FAILED IN BUSINESS? YES NO HAS APPLICANT EVER FILED BANKRUPTCY? YES NO

SECTION II: GENERAL INFORMATION

OWNER'S NAME: _____ SPOUSE NAME _____
 SS#: _____ SPOUSE SS# _____ HOME PHONE: _____
 RESIDENTIAL ADDRESS: _____
(Street) (City) (State) (Zip)
 ADDITIONAL OWNERS / PARTNERS
 OWNER'S NAME: _____ SPOUSE NAME _____
 SS#: _____ SPOUSE SS# _____ HOME PHONE: _____
 RESIDENTIAL ADDRESS: _____
(Street) (City) (State) (Zip)

PERSONAL FINANCIAL STATEMENT OF ASSETS & LIABILITIES AS OF _____

ASSETS		LIABILITIES	
CASH IN BANK	\$	NOTES PAYABLE TO BANKS	\$
CASH ON HAND	\$	NOTES PAYABLE TO OTHERS	\$
STOCKS & BONDS	\$	ACCOUNTS PAYABLE	\$
ACCOUNTS RECEIVABLE	\$	FEDERAL & STATE INCOME TAX DUE	\$
NOTES RECEIVABLE	\$	ALL OTHER TAXES	\$
INVENTORY	\$	ACCRUALS, PAYROLLS, ETC.	\$
CASH VALUE OF LIFE INSURANCE	\$	DUE ON EQUIPMENT	\$
EQUIPMENT	\$	DUE ON REAL ESTATE	\$
REAL ESTATE	\$	OTHER LIABILITIES	\$
OTHER ASSETS	\$	CAPITAL STOCK (IF A CORPORATION)	\$
		SURPLUS & UNDIVIDED PROFITS	\$
TOTAL ASSETS	\$	TOTAL LIABILITIES	\$
		NET WORTH	\$
NAME OF OWNERS	NAME & TITLE OF OFFICERS	PERCENTAGE OF OWNERSHIP	

Completion of this form constitutes permission for worldwide insurance specialists inc. to obtain consumer information which will be used to determine bonding eligibility.

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