|  |  |
| --- | --- |
| State of CaliforniaDepartment of Real EstateTime-Share Blanket Surety Bond*(§11243(c)/11244)*RE 600K (Rev. 7/15) | Subdivisions |
| Bond Number |

***Know All Men By These Presents:***

That we, , as principal, and      , a corporation organized and existing under the laws of the State of      , and authorized to transact surety business in the State of California as surety, are held and firmly bound unto the State of California, in the penal sum of       Dollars (**$**) lawful money of the United States, for payment hereof well and truly to be made, we hereby bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents:

***The Condition of the Foregoing Obligation is Such That:***

***Whereas***, Principal is engaged in the development of time-share plans for sale to the public. Prior to the offer for sale of such time-share plans, Principal must obtain a Final Public Report from the Real Estate Commissioner; and

***Whereas***, Principal has elected to give this surety bond to the State of California in compliance with Section 11243(c) and/or Section 11244 of the Business and Professions Code of the State of California, as applicable, as a blanket and continuing obligation for the benefit and protection of each and every purchaser of any time-share interest within each and every time-share plan now or hereafter offered for sale or lease, or sold or leased by Principal directly or through his agents in the State of California.

***Now, Therefore***, this obligation shall be void if the above bonded principal, in case of every contract of purchase or lease of every lot in each and every time-share plan now or hereafter offered for sale or lease, or sold or leased by Principal, directly or through his agents in the State of California, takes or has taken one of the following actions:

(a) Said principal forthwith deposits, or has deposited, the entire sum of money paid or advanced by the purchaser into an escrow depository theretofore, accepted by the Real Estate Commissioner of the State of California which escrow has agreed to hold and disburse said monies in compliance with Section 11243(c) or Section 11244 of the Business and Professions Code of California, as applicable; or

(b) Said principal completes all property improvements in compliance with Section 11243(b) of the Code or provides acceptable property completion security in compliance with Section 11230(a) of the Code, ***and*** delivers or has delivered the legal title or other interest contracted for, whether it be title of record or other interest, to the purchaser within the time specified in the contract to sell or any extension thereof and a proper release has been obtained from any blanket encumbrance, as defined by Section 11244(a) of the Business and Professions Code of California, affecting said purchaser’s lot or lots; or

(c) If said monies have not been deposited in escrow as provided in (a) above or said legal title or other interest contracted for has not been delivered as provided in (b) above, said principal forthwith returns or has returned the monies so paid or advanced.

Otherwise, this obligation shall continue in full force and effect; except that if it should be determined in a court of competent jurisdiction or by an arbitrator in accordance with the commercial arbitration rules of the American Arbitration Association that such purchaser, by reason of default, is not entitled to the return of such monies or any portion thereof, then this obligation shall be exonerated to the extent of the amount of such monies to which such purchaser or lessee is not entitled.

The surety on this bond may relieve itself of further liability by filing a notice of cancellation or withdrawal with the Real Estate Commissioner of the State of California and at the same time, serving similar notice upon the above principal. At the expiration of thirty days after the filing of such notice, or on the filing and acceptance by said Commissioner of a new bond covering all such subsequently accruing liability, whichever event first occurs, this bond shall be cancelled or withdrawn and the surety shall thereby be relieved of all liability which otherwise thereafter would arise on this bond, but such cancellation or withdrawal shall not relieve the surety of liability arising prior to such cancellation or withdrawal.

***Dated*** this  day of      ,      .

|  |
| --- |
| Principal      |
| By | Printed or Typed Name      | Capacity      |
| Address      | Telephone      |
| Surety      |
| By | Printed or Typed Name      | Capacity      |
| Address      | Telephone      |

##  Corporate Seal

***Note:*** • Attach notary’s acknowledgement of surety’s signature.

 • Submit a current attorney-in-fact with any bond, rider or notice for the entity signing on behalf of the Surety.