

**STATE OF MARYLAND
SECURITIES DIVISION
FRANCHISOR SURETY BOND**

KNOW ALL MEN BY THESE PRESENTS, THAT

(Name of Franchisor)

a _____
(Description or form of business organization, including State of Incorporation), with business offices at

(Address)

as Principal, and _____ a corporation duly organized
(Name of Surety)

under the laws of the State of _____ and authorized to do business in the State of Maryland, as Surety, are hereby held and firmly bound to the State of Maryland, in the sum of _____ Thousand Dollars (\$ _____,000.00). For the payment of this sum, Principal and Surety bind themselves, their representatives, successors and assigns, jointly and severally by these presents.

WHEREAS, Principal has applied for registration as a franchisor to offer and sell franchises in Maryland, as required under the Maryland Franchise Registration and Disclosure Law, Title 14, Subtitle 2, Business Regulation Article, Annotated Code of Maryland, (2010 Repl. Vol.) (the Maryland Franchise Law); and

WHEREAS, Principal executes this surety bond under §14-217 of the Maryland Franchise Law, as a condition of its registration to offer and sell franchises in Maryland;

NOW, THEREFORE, the Principal agrees as follows:

1. Principal shall obey all applicable rules, regulations and statutes of the State of Maryland, now or hereafter existing and all other applicable laws now or hereafter existing, affecting or relating to the offer or sale of franchises and area franchises.
2. Principal shall in all respects be bound to any and all applicable requirements and provisions required to be in this bond by existing and future statutes, rules and regulations of the State of Maryland, and laws, the same as though such requirements and provisions were fully set forth in this bond, and by reference such requirements and provisions are made a part hereof.
3. Principal shall in all respects be bound to perform and fulfill, up to and until the time at which a franchisee's or subfranchisor's business is fully operational, all undertakings, covenants, terms, conditions and agreements of any contract, or of any modification to a contract duly authorized by the parties to the contract, that the Principal makes with these franchisees, or subfranchisors.
4. This bond is for the benefit of the State of Maryland and all persons purchasing franchises and area franchises from Principal.
5. This bond shall become effective at _____ on _____
(time of day) (date)

It may be cancelled by Surety and Surety relieved of liability with respect to a franchise agreement entered into by Principal after the effective date of cancellation. Cancellation is effective 90 days after the Maryland Securities Commissioner and Principal receive written notice from Surety of cancellation. Notwithstanding any such cancellation, coverage under this bond remains effective with respect to any franchise agreements entered into by Principal prior to the effective date of cancellation.

(Name of Surety)

(Name of Franchisor)

By: _____
(Signature of Attorney in Fact)

By : _____
(Signature of Officer, Partner, or Sole Proprietor)

Approved as to form:

Assistant Attorney General

Date

INSTRUCTIONS:

1. This side is to be completed by a notary public for both the Principal and the Surety.
2. Please attach the Power of Attorney and Certified Copy of the Corporate Resolution for the Surety listed herein.

STATE OF _____)
 _____) ss.
 COUNTY OF _____)

ACKNOWLEDGMENT OF PRINCIPAL

(INDIVIDUAL PROPRIETORSHIP)

The foregoing instrument was acknowledged before me this _____ day of _____, _____
 by _____
 (Name of Person Acknowledged)

(CORPORATION)

The foregoing instrument was acknowledged before me this _____ day of _____, _____
 by _____, President of
 (Name of Corporation President)
 _____, a _____
 (Name of Corporation) (State of Incorporation)
 corporation, on behalf of the corporation.

(PARTNERSHIP)

The foregoing instrument was acknowledged before me this _____ day of _____, _____
 by _____, a partner on behalf of
 (Name of Acknowledging Partner)
 _____, a partnership.
 (Name of Partnership)

Notary Public

NOTARY SEAL Cty: _____ Comm. Exp: _____

STATE OF _____)
 _____) ss.
 COUNTY OF _____)

ACKNOWLEDGMENT OF SURETY

The foregoing instrument was acknowledged before me this _____ day of _____, _____
 by _____
 (Name and Title of Officer or Agent)
 of _____,
 (Name of Corporation Acknowledging)
 a _____ corporation, on behalf of the corporation.
 (State of Incorporation)

Notary Public

NOTARY SEAL Cty: _____ Comm. Exp: _____