

Bond number: \_\_\_\_\_

**BOND OF NOTARY PUBLIC**

KNOW ALL MEN BY THESE PRESENTS, that \_\_\_\_\_

as Principal, and \_\_\_\_\_,  
a surety company licensed to do business in the State of Michigan, as surety, are held and firmly bound unto the People of the State of Michigan, in the penal sum of TEN THOUSAND DOLLARS (\$10,000.00) lawful money of the United States of America, to be paid to the said people, or to their certain attorneys, heirs, executors, administrators or assigns, to which payment well and truly be made, said principal and surety bind themselves, their heirs, executors, administrators, assigns, and each and every one of them, firmly by these presents.

THE CONDITION of this obligation is such that the above Principal has applied for appointment by the Secretary of State of the State of Michigan as a Notary Public in the County of \_\_\_\_\_.

NOW THEREFORE, if the Principal shall indemnify or reimburse a person, financing agency, or governmental agency for monetary loss caused through the official misconduct of the Principal in the performance of a notarial act, then this obligation to be void; otherwise to remain in full force and effect. The Surety is required to indemnify or reimburse only after a judgment based on official misconduct has been entered in a court of competent jurisdiction against the Principal. The aggregate liability of the Surety shall not exceed the penal sum of this bond stated above. The Surety may cancel this bond upon sixty days notice to the Principal and the Secretary of State of the State of Michigan and the County Clerk of the county specified above. The Surety is not liable for any breach of the condition of this bond occurring after the effective date of such cancellation. This bond shall be effective from the effective date of the Principal's notary commission so applied for, and unless cancelled by the Surety as set forth above or otherwise released, through the expiration date of such notary commission.

Sealed with our seals and dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_  
Principal

Affix Surety Seal Here

By: \_\_\_\_\_  
Surety

By: \_\_\_\_\_  
Attorney-in-fact

OATH OF OFFICE

STATE OF MICHIGAN

County of \_\_\_\_\_

I do solemnly swear that I will support the Constitution of the United States, and the Constitution of this State, and that I will discharge the duties of the office of Notary Public in and for said County to the best of my ability.

\_\_\_\_\_  
Principal

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

My commission expires \_\_\_\_\_  
Notary Public

## NOTARY PUBLIC ERRORS AND OMISSIONS POLICY

Policy No. \_\_\_\_\_

Premium: \_\_\_\_\_

WESTERN SURETY COMPANY (the "Company") will pay on behalf of \_\_\_\_\_

\_\_\_\_\_ (the "Insured")

of \_\_\_\_\_, all sums  
(Address)

which the Insured shall become obligated to pay by reason of liability for breach of duty while acting as a duly commissioned and sworn Notary Public, claim for which is made against the Insured by reason of any negligent act, error or omission, committed or alleged to have been committed by the Insured, arising out of the performance of notarial service for others in the Insured's capacity as a duly commissioned and sworn Notary Public.

**POLICY PERIOD:** This policy applies only to negligent acts, errors or omissions which occur during the policy period and then only if claim, suit or other action arising therefrom is commenced during the policy period or within the applicable Statute of Limitations pertaining to the Insured.

The Policy Period commences at 12:01 a.m. on \_\_\_\_\_, \_\_\_\_\_, and ends at midnight on \_\_\_\_\_.

**LIMITS OF LIABILITY INCLUDING DEFENSE COSTS:** The total liability of the Company for all loss (defined below) for all claims under this insurance including defense costs (defined below) shall not exceed the amount of

\_\_\_\_\_ DOLLARS ( \_\_\_\_\_ ).  
(NOT VALID IF FILLED IN FOR MORE THAN \$100,000.00)

This limit shall apply in the aggregate so that the Company's total liability for all claims and/or defense costs shall in no event exceed this amount.

**DEFENSE SETTLEMENT:** With respect to such insurance as is afforded by this policy, the Company shall, provided the policy limit has not been exhausted, defend, in the Insured's name and behalf, any claim or suit against the Insured alleging such negligent act, error or omission and seeking damages on account thereof, even if such claim or suit is groundless, false, or fraudulent. The Company, in the Insured's name and behalf, shall have the right to make such investigation, negotiation and settlement of any claim or suit as it may deem expedient.

**DEFINITIONS:** Wherever used in this policy, these words shall have the following meanings:

- (a) "Defense costs" shall mean any and all: (1) expenses, including attorneys' or investigators' fees, paid or incurred by the Company in the investigation, settlement or defense of claims or suits; (2) costs taxed against the Insured in a suit defended by the Company; (3) premiums for bonds required in a suit defended by the Company, which bonds the Company shall have no obligation to furnish, but only for bonds up to the Company's limit of liability; (4) interest on a judgment as required by law until the Company offers the amount due under this insurance; and (5) reasonable expenses incurred by the Insured at the Company's request, other than loss of earnings.
- (b) Subject to all of the Exclusions of this policy (stated below), "loss" shall mean the total of: (1) sums the Insured legally must pay as direct compensatory damages because of claims covered by this insurance; (2) sums the Company agrees to pay in settlement of such claims, whether or not the Insured's legal liability has been determined; and (3) "defense costs" as defined above.

**EXCLUSIONS:** Coverage under this policy does not apply to any (i) dishonest, fraudulent, criminal, libelous, slanderous or malicious act or omission of the Insured; (ii) willful or intentional disregard of the law; (iii) bodily injury to, or sickness, disease or death of any person, including but not limited to, emotional or mental distress and related conditions; (iv) injury to or destruction of any tangible property, including the loss of use thereof; (v) fines or penalties imposed by law on the Insured; (vi) punitive, treble, exemplary or similarly categorized damages, including fines and penalties; or (vii) performance of notarial service for any business which the Insured owns, is a partner of, manages or controls.

**OTHER INSURANCE:** This insurance is excess over any other applicable insurance whether such insurance is primary, excess, contributory, contingent, or otherwise and whether such insurance is collectible or not, unless such other insurance is written to be specifically excess over the insurance provided by this policy.

**INSURED'S DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT:**

- a) Upon knowledge of any occurrence which may reasonably be expected to result in a claim or suit, written notice containing particulars sufficient to identify the Insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the potential claimant and of available witnesses, shall be given by or for the Insured to the Company or any of its authorized agents as soon as practicable, but in no event longer than twenty (20) days after discovery.
- b) If claim is made or suit is brought against the Insured, the Insured shall immediately forward to the Company every demand, notice, summons, or other process received by it or its representative.
- c) The Insured shall cooperate with the Company and, upon the Company's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured for acts, errors or omissions with respect to which insurance is afforded under this policy; and the Insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The Insured shall not, except at his own cost, voluntarily make any payment, admit any liability, assume any obligation or incur any expense except with the prior written consent of the Company.

**SUBROGATION:** In the event of any payment for any loss under this insurance, the Company shall be subrogated to all of the Insured's rights of recovery thereafter against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights to the Company. The Insured shall do nothing after loss to prejudice such rights.

**ASSIGNMENT:** This policy shall be void if assigned or transferred without the Company's written consent.

**ACTION AGAINST COMPANY:** No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgment after actual trial or by written agreement of the Insured, the claimant, and the Company. Any person or organization or the legal representative thereof, who is signatory to such judgment or written agreement, shall thereafter be able to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against the Insured to determine the Insured's liability, nor shall the Company be impleaded by the Insured or the Insured's legal representative.

**CANCELLATION:** If this policy has been in effect for sixty (60) days or more, it shall not be cancelled except for the following reasons: (1) Nonpayment of premium, including payment due on a prior policy issued by the Company and due during the current policy term covering the same risks. (2) Judgment against the Insured based upon violation of any law which materially increases the risk. (3) Fraud or material misrepresentation in obtaining the policy or pursuing a claim. (4) Discovery of willful or grossly negligent act(s) which substantially increase the risk. (5) Failure to implement reasonable loss control requirements which were conditions precedent to policy coverage. (6) The Company's loss of reinsurance if the \_\_\_\_\_ Insurance Commissioner determines that such loss threatens the financial integrity or solvency of the Company. (7) Determination that continuation would violate insurance laws of this state or the state of domicile. (8) A change by the Insured in activities or commercial or industrial enterprise which results in a materially increased risk or a materially changed risk, unless the added increased or changed risk is included in the policy.

**NOTICE REQUIREMENT WHEN POLICY CANCELLED OR NONRENEWED:** When this policy is cancelled or nonrenewed, a written explanation detailing the reasons for cancellation and the effective date of cancellation must be provided to the Insured. Notice of cancellation for nonpayment of premium or fraud must be given ten (10) days prior to such cancellation. Notice of cancellation for any remaining above stated reason must be given at least thirty (30) days prior to the effective date of cancellation.

Any notice of nonrenewal must be given at least forty-five (45) days but no more than one hundred twenty (120) days prior to nonrenewal. Notice must also be given if the Company intends to condition renewal upon reduction of limits, elimination of coverages, increases in deductibles or increases of more than 25% in the rates upon which the premium is based.

Notice of nonrenewal is not required in the following situations: (1) Transfer or renewal of a policy without any change in terms or conditions or rate upon which premium is based between insurers of the same insurance group. (2) The policy has been extended for ninety (90) days or less if notice of nonrenewal is given prior to the extension. (3) Insured has obtained replacement coverage or has agreed, in writing, to do so within sixty (60) days of policy termination. (4) Policy is for a period of no more than sixty (60) days and Insured is notified at time of issuance that it may not be renewed. (5) Insured requested change in terms or conditions or risks within sixty (60) days prior to the end of the policy. (6) The Company has offered within the time periods specified above to renew the policy under changed terms or conditions or at a changed premium rate.

This policy may be cancelled by the Insured by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. If the Insured cancels, the premium shall be fully earned. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective.

Dated, signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By \_\_\_\_\_, Attorney in Fact