

TENANTS SECURITY DEPOSIT BOND  
RESIDENTIAL DWELLINGS UNITS

BOND NO. \_\_\_\_\_

ALL MEN BY THESE PRESENTS, that \_\_\_\_\_  
of \_\_\_\_\_ principal and  
\_\_\_\_\_ of \_\_\_\_\_

surety company licensed to do business in the State of North Carolina as surety, are held and firmly bound unto persons making security deposits with the above-named principal in the total penal sum of \_\_\_\_\_  
( \_\_\_\_\_ ) lawful money of the United States, 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, and each of them firmly by these presents.

WHEREAS, the above named principal is a landlord collecting security deposits per the terms and definitions of Chapter 42, Article 5 of the General Statutes of the State of North Carolina.

WHEREAS, the above named principal is permitted to post a security bond,

NOW, THEREFORE, the condition of this obligation is such that if the above-named principal shall reimburse any person who had made a security deposit pursuant to a lease or rental agreement entered into, renewed or renegotiated after October 1, 1977, and makes a claim therefore under the terms and conditions of Chapter 42, Article 5 of the General Statutes of the State of North Carolina during the term of this bond, then this obligation as to him shall be null and void. Provided, however, that this surety will be required to make reimbursement only after final judgement has been rendered in the district, common pleas or municipal court where the principal resides or does business.

This bond is executed and accepted subject to the following conditions:

- (1) The aggregate liability of the surety for all judgements under the bond shall, in no event, exceed the sum of the bond.
- (2) The liability of the surety for any judgement under the law to any person making a security deposit with the principal shall be limited to the amount of that persons deposit as is evidenced by a receipt duly executed by the Principal.
- (3) Coverage hereunder shall be effective as of 12:01 a.m. of \_\_\_\_\_ and shall continue in full force and effect until 12:01 a.m. of \_\_\_\_\_. This bond shall be cancelled immediately upon termination of the principal's interest in any rental unit or upon the giving of thirty (30) days written notice by the surety to the principal.

Signed, sealed and dated this \_\_\_\_\_ day of \_\_\_\_\_ A.D. , \_\_\_\_\_.

\_\_\_\_\_  
Principal

\_\_\_\_\_  
Witness

\_\_\_\_\_  
BY \_\_\_\_\_ (Title)

\_\_\_\_\_  
Surety

\_\_\_\_\_  
Witness

\_\_\_\_\_  
BY \_\_\_\_\_ Attorney-in-Fact