Surety Bonds for Banks

COMMERCIAL SURETY FOR FINANCIAL INSTITUTIONS

Surety bonds are frequently required of banks and Travelers has a dedicated team of Commercial Surety experts ready to service their broad surety needs. Below are descriptions of some of the most commonly needed bonds.

Court Bonds

Appeal Bond
Guarantees that the Principal (Bank) will pay the Plaintiff the amount of judgment plus any accrued interest should the Principal/Appellant lose its appeal.

Cost Bond
Guarantees that the Principal will pay court costs associated with initiating a legal action and/or appealing a case to a higher court.

Discharge of Mechanic’s Lien Bond
Releases a lien that has been filed with the Public Trustee against real estate for an amount claimed for labor and material furnished for construction of a building or improvement; pending final determination of the owner’s liability, the owner may release the lien by posting a bond for payment of any amount that may be found due to the individual filing the lien.

Indemnity to Sheriff Bond
Protects the sheriff from a suit being brought by the party whose property is being seized by an order of possession or writ of execution.

Plaintiff’s Attachment Bond (aka Sequestration Bond)
Issued on behalf of Plaintiff who is seeking to attach a piece of property held by the Defendant to secure payment of a debt.

Replevin Bond (aka Claim & Delivery Bond)
Issued for the Principal (Bank) to regain possession of property, pending outcome of the court action; subject to its terms, this bond guarantees redelivery of the property to Plaintiff, if ordered to do so, or otherwise to comply with court order or judgment.

License & Permit Bonds

Insurance Agent/Broker Bond
Guarantees that insurance agents or brokers will fulfill their duties in accordance with the laws and statutes of the State in which they are licensed.

Collection Agency Bond
Guarantees the Principal will comply with applicable statutes covering the collection of bills.

Mortgage Banker/Broker Bond
Guarantees that mortgage brokers will fulfill their duties in accordance with the laws and statutes of the State in which they are licensed.

Miscellaneous Indemnity Bonds

Depositor Bond (aka Excess FDIC Depositor Bond)
Allows a Bank to offer deposit protection in excess of Federal Deposit Insurance Corporation (FDIC) insurance coverage to public or private entity customers, with deposits in excess of federally covered limits.
Federal Trustee in Bankruptcy Depositor Bond
Guarantees the faithful accounting and repayment of monies when acting as a depository bank for a bankruptcy estate under the Federal Code.

Indemnity to Transfer Agent Bond (aka STAMP Bond)
Protects the issuer of securities, transfer agent, or similar financial services institution in the event they incur a financial loss due to their reliance upon the stamp of a Medallion guarantor and the guarantor is unable to indemnify them for their loss.

Lost Instrument Bond
Guarantees that 1) if the original lost instrument is found, it will be returned to the Obligee to be cancelled and/or disposed of, and 2) that the Obligee will be indemnified or held harmless against any and all costs that arise by reason of the lost instrument and the issuance of a replacement instrument.

Self-Insured Workers Compensation Bond
Guarantees that the self-insured Principal will pay workers' compensation benefits to any worker injured during the time period in which the bond is in force.

Utility Payment Bond
Guarantees that the Principal will pay utility bills as they come due to the utility company.

Other
Notary Bond
Guarantees that the Principal (Notary) will faithfully perform and discharge all of the duties of the office of notary public according to the law; the bond form may also guarantee the payment to all parties for any damages suffered by them in consequence of the failure of the notary applicant to discharge their duties as a notary.

Why Travelers?
Leadership – Travelers has been a leader in providing a variety of surety bonds and insurance products for various financial institutions since 1890.

Dedicated Financial Institutions Team – Travelers has a dedicated, interdisciplinary team of professionals – including legal, regulatory and underwriting personnel – with a solid knowledge of the financial institution industry.

Financial Strength – A.M. Best* has assigned Travelers a financial strength rating of A++ “superior” Travelers has the ability to extend substantial capacity.

National Footprint with Local Presence – With offices nationwide we possess national strength and local presence.

Ease of Doing Business – Setting up a surety line of credit is a simple and straightforward process requiring basic financial information, minimal legal documentation and no fees.

Travelers knows Surety Bonds.
To learn more, contact your independent insurance agent or visit travelers.com

*A.M. Best’s rating of A++ applies to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit www.travelers.com. Ratings listed herein are as of July 22, 2016, are used with permission, and are subject to changes by the rating services. For the latest rating, access www.ambest.com.