When providing an appeal bond, it is important that you understand your obligations under the bond. In order to reduce your risk, Travelers has prepared this brochure to answer some frequently asked questions.

What is an appeal bond?
An appeal bond, sometimes called a supersedeas bond, is required when a defendant wants to appeal an adverse judgment or order. The bond guarantees that if the defendant (principal) loses the appeal, the amount of the judgment and, in some cases, accrued interest, expenses and legal fees, will be paid. The defendant (principal) who intends to appeal an adverse judgment needs an appeal bond to prevent the plaintiff from immediately seizing the defendant’s property.

How large can an appeal bond be?
Depending on the state or the court, the amount (penal sum) of the bond may be set at 100% of the amount of the judgment or more to cover potential costs of appeal, interest and attorney fees. Some states cap the maximum amount of an appeal bond.

What happens if I lose the appeal?
If you lose the appeal, you will have to decide whether to pay the judgment or take a further appeal to a higher court.

Is the appeal bond insurance?
No. Unlike insurance, if the surety is forced to make payment, you will be required to reimburse the surety. Since you are required to reimburse Travelers should we make payment under the bond, we review your financial position to ensure that you are able to do so; we will want to better understand your request for the bond. Items we may review include a copy of judgment, any legal fees, pre- and/or post-judgment interest, and the availability of insurance to fund a judgment.

Our pricing is based on the credit strength of the applicant. Our underwriting team has successfully provided both uncollateralized and collateralized appeal bonds for our clients.

How long will the bond be in effect?
An appeal bond usually cannot be canceled. It remains in effect until the court releases you and Travelers, after the case is either decided by the court or settled. If you lose the appeal, the bond is in effect until the judgment and all accrued interest and any awarded fees and costs are paid. Many years may pass before any of these events take place, and release of the bond is not automatic.

Why do I need to get a court ordered release?
Once the appeal is concluded, or you have settled the case or paid all that is required, you may think the bond is no longer in effect. However, your adversary and/or the court may not. A court ordered release is the best way to make certain that a claim can no longer be made against your bond, and that you won't have to pay when your case is not concluded. Travelers recommends that the court order state that “The Bond is hereby fully and unconditionally discharged and released; and Travelers Casualty and Surety Company of America, and its parent, affiliates and subsidiaries are hereby released from any and all past, present and future liability under said bond.” If you need guidance, we provide the resources that can help you.
Why a Travelers appeal bond?
Travelers has a sophisticated staff of professional claim attorneys who will work with you and your attorney. We find that even experienced attorneys may never have had to obtain an appeal bond before. We are familiar with the appellate process, with drafting unique appeal bonds and with assessing whether an appeal, and the potential bond claim, is concluded.

Who will handle my claim?
Your claim will be handled by a Travelers Bond & Specialty Insurance professional. The Bond & Specialty Insurance department is made up of diverse claim and legal professionals. We provide dedicated, personal service. We work directly with you, your attorney, agents and brokers, and are committed to delivering world-class service to all our customers.

Superior customer service
Travelers understands that life is full of uncertainty. Rest assured that our claim professionals are ready to help. When you call, you can always expect to be assisted promptly and treated with the utmost respect, integrity, professionalism and skill.

Just call us at 1.800.842.8496.

How do I report a claim?
Immediately notify your agent or broker when you discover any situation that may result in a claim on your appeal bond.

To notify Travelers directly, please contact:
Telephone: 800.842.8496
Fax: 888.201.5608
Email: BSIclaims@travelers.com

Travelers Bond & Specialty Insurance
One Tower Square
Hartford, CT 06183

Why Travelers
• We've provided effective insurance solutions for more than 150 years and address the needs of a wide range of industries
• We consistently receive high marks from independent ratings agencies for our financial strength and claims-paying ability
• With offices in every U.S. state, we possess national strength and local presence
• Our dedicated underwriters, risk control specialists and claim professionals offer extensive industry and product knowledge

Take advantage of the level of claim and risk mitigation expertise found only with Travelers.