

SPECIAL DEPOSIT BOND

State of _____,

KNOW ALL MEN BY THESE PRESENTS. That the undersigned _____ as principal of _____ and the undersigned _____ as surety, of _____ are firmly held and bound unto the Administrator of the Department of Consumer Affairs of the State of South Carolina in full and just sum of _____ dollars, to which payment we bind ourselves and our respective successors and assigns jointly and severally.

Sealed with our seals and dated at _____ this _____ day of _____ in the year of our Lord, two thousand and _____.

WHEREAS, Section 44-79-80 of the Code of Laws of South Carolina, 1976 as amended, requires that a physical fitness center deposit and thereafter continuously maintain a bond in an amount determined by the Administrator. The bond is to be executed by a surety company authorized by the laws of this State to transact business in South Carolina and must be for the use of the State as well as any member that may have a cause of action against the physical fitness services center.

AND WHEREAS, the undersigned principal _____ aforesaid, desires to transact business within the State of South Carolina in accordance with the terms of its laws and to deposit with the Administrator a good and solvent bond in the sum of _____ dollars, does by this instrument furnish that bond.

NOW, THEREFORE, the condition of this bond is such that if the above principal has failed to comply with the S.C. Physical Fitness Services Act, S.C. Code § 44-79-10, et seq. (LAW CO-OP 1986) or has failed to provide contracted for physical fitness services to customers as determined by the Administrator after notice and opportunity for hearing, then we the Beneficiary (South Carolina Department of Consumer Affairs) are entitled to the sum of _____.

PROVIDED, HOWEVER, that liability hereunder may be terminated either (a) by written notice, from the surety to the Administrator, that liability shall terminate upon the expiration of forty-five (45) days from the date of such notice, or (b) upon written authorization mailed to the surety by the Administrator.

IN, WITNESS where of the principal and surety have set their hand and affixed their seals in the manner and form following:

In presence of witness as to principal:

Name of principal:

By: _____
(President (Officer))

In the presence of witness as to Surety:

Name of Surety:

By: _____
(President (Officer))

EXECUTION BY PRINCIPAL AND SURETY MUST BE PROBATED ON REVERSE SIDE