

**CITY OF RANCHO MIRAGE
CONSIGNMENT STORE BOND**

KNOW ALL MEN BY THESE PRESENTS:

That we, _____ as "Principal," and _____ a surety company authorized to do business in the State of California as "Surety," are firmly bound unto THE CITY OF RANCHO MIRAGE as Obligee, in the penal sum of: _____ (\$_____) for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves our heirs, executors, administrators, successors and assigns, firmly by these presents.

WHEREAS, the Principal has applied to the City of Rancho Mirage for a permit to engage in the business of consignment and is required by Section 5.26.075 of the City of Rancho Mirage Municipal Code to furnish a surety bond for the benefit of the consignor of the consigned property.

WHEREAS, this bond is issued for the purpose of satisfying said requirement.

WHEREAS, the minimum face amount of the bond includes, but is not limited to, the estimated cost of recovery which may be incurred by the City of Rancho Mirage in enforcing the obligation secured herein.

WHEREAS, any consignor, including his or her heirs, successors in interest, executors, transferees, assigns, agents or any other individuals or entities related thereto, aggrieved or damaged by any act of a consignee in violation of, or contrary to the provision of Chapter 5.26 et. seq. of the City of Rancho Mirage Municipal Code, shall have the right to maintain a direct action against the Surety under this bond for the consignor's loss, accrued interest, court or arbitration costs and attorneys' fees.

NOW THEREFORE, if Principal shall do all of the following, then the obligations of the Principal and Surety pursuant to this bond shall be void, otherwise they shall remain in full force and effect:

A) Not engage in any conduct which causes consigned property not to be available for redemption by consignor when the consignor has complied with all of the conditions precedent to redemption under the terms of the consignment contract between the Principal and consignor or which conduct causes the nonpayment of monies owed by the Principal to consignor upon the sale of a consigned item; or

B) Not violate any of the conditions or provisions set forth in Chapter 5.26 et. seq. of the Rancho Mirage Municipal Code; or

C) Compensate the City of Rancho Mirage for any costs and reasonable expenses and fees including attorneys' fees incurred by the City in successfully enforcing the obligations of the Principal as secured herein as required in Section 5.26.075(C) of the Rancho Mirage Municipal Code; or

D) Upon the failure to comply with any of the conditions or provisions set forth in Chapter 5.26, et. seq., of the Rancho Mirage Municipal Code, pay any fine which may be imposed upon the Principal for such violation and further pay any person aggrieved by any act of the Principal in violation of Rancho Mirage Municipal Code Chapter 5.26, et. seq. any amount which a court of competent jurisdiction may determine that such person is entitled to because of said violation (RMMC § 5.26.075(D)).

The aggregate liability of the Surety to any and all persons, regardless of the number of claims made against this bond or the number of years this bond remains in force, shall in no event exceed the amount set forth above.

The bond shall be effective beginning 12:01 a.m. on _____ and shall expire in one (1) year unless extend by continuation certificate.

Executed this _____ day of _____, 20____.

Principal

Principal

Surety Company

BY: _____
Attorney-in-Fact