Information for completing pdf forms on-line

You may enter information on screen and print.

AR-0026 (7/02)

MICHIGAN DEPARTMENT OF STATE

UNIFORM VEHICLE DEALER SURETY BOND

PLEASE READ INSTRUCTIONS ON REVERSE SIDE OF THIS SHEET BEFORE EXECUTING BOND

KNOW ALL MEN BY THESE PRESENTS, that

Enter Business Name & Address (See Item 4, Page 2)

BOND NUMBER

Enter Bond Number Below

as principal, whose place(s) of business is/are located at the address(es) set forth above, and

_____ as surety

are held and firmly bound unto any purchaser, seller, financing agency, or governmental agency for any monetary loss cause through fraud, cheating or misrepresentation in the conduct of the vehicle business by the named principal in the total penal sum of Ten Thousand and NO/100 Dollars ($10,000), lawful money of the United States of America, for which sum well and truly to be paid, said principal and surety bind themselves, their heirs, executors, administrators, and assigns, jointly and severally and each of them.

WHEREAS, the above named principal is applying to the Secretary of State of Michigan to be licensed as a dealer in vehicles under Section 248 of Act 300, P.A. of 1949, as amended.

AND WHEREAS, the above named principal is required by Section 248 of Act 300, P.A. of 1949, as amended, to submit properly executed surety bond, conditioned as set forth below, with said application for vehicle dealer license.

NOW THEREFORE, the condition of this obligation is such that the principal and surety shall indemnify or reimburse any purchaser, seller, financing agency or governmental agency for any monetary loss only after judgment based on fraud, cheating or misrepresentation has been entered in a court record against the licensee.

The obligation under this surety bond shall be further conditioned to indemnify or reimburse the State of Michigan for any sales tax deficiency as provided in Act 167 of the Public Acts of 1933, as amended, being Sections 205.51 to 205.78 of the complied laws of 1948, or use tax deficiency as provided in Act 94 of the Public Acts of 1937, as amended, being Sections 205.91 to 205.111 of the compiled laws of 1948, for the year in which the bond was in force. The surety shall be required to make such indemnification or reimbursement only after final judgment has been entered in a court of record against the licensee.

It is further understood and agreed that coverage is provided and extended without notification to the surety for any change of officers, if the principal is a corporation; for any additional locations or changes of address within the county for which the license is issued; or for any substitution of business name wherein ownership is not changed.

Provided further, that the aggregate liability of the surety for all such judgments shall, in no event, exceed the sum of the bond.

Coverage hereunder shall be effective as of 12:01 a.m. on _____ and shall remain in effect continuously, provided, however, that the said surety may cancel the bond upon giving thirty days notice in writing to the Secretary of State and thereafter shall be relieved of liability for any breach of condition occurring after the effective date of the cancellation.

Signed, sealed and dated this _____ day of _____, 20 _____

(Important **ALL** Signatures Are Required)

(Signature of Witness to Principal)	(Signature of Dealer Principal or Authorized Agent of Principal)
(Print or Type name of Witness to Principal)	(Print or Type Name and Title of Person Signing for Principal)
(Signature of Witness to Attorney-in-Fact)	(Name of Surety Company)
(Print or Type name of Witness to Attorney-in-Fact)	(Signature of Attorney-in-Fact)
(Signature of Licensed Resident Insurance Agent)	(Print or Type name of Attorney-in-Fact)
(Print or Type Name of Resident Insurance Agent)	

Print Form

Clear Form

NOTICE: Vehicle Dealer License Applicant, Surety Bonding Companies and Agents.

THIS BOND MUST BE CORRECTLY COMPLETED OR A DEALER LICENSE CANNOT BE ISSUED.

DEALER: DOUBLE CHECK these points!

Follow the instructions and avoid unnecessary delay and expense.

- The **EXACT** business name and address of the dealership must appear on the face of the bond as it appears on the dealer license application.
- Individual owners and partners **MUST** be listed in addition to the business name and address.

  Corporate officers, etc. do not need to be listed for a corporation, **ONLY** the corporate name (d/b/a assumed name, any) and the address need to appear.
- **BOND NUMBER** must be on the face of the bond.
- Name of Surety must be listed.
- **SIGNATURES ARE REQUIRED** for:
  a. Attorney-in-Fact for the Surety
  b. Witness to the Attorney-in-Fact for the Surety
  c. Licensed Resident Insurance Agent (Agent who sold the bond) IMPORTANT!!!
  d. Principal (dealer license applicant)
  e. Witness to Principal
- A power of attorney for the Attorney-in-Fact MUST accompany the bond OR must BE ON FILE with the Michigan Department of State, Dealer Division, Lansing, MI 48918.

Remember, if the bond is not correctly completed, a dealer license cannot be issued.

UNIFORM VEHICLE DEALER SURETY BOND INSTRUCTIONS

1. Every applicant for a vehicle dealer license, must file with such application an executed surety bond in the amount of Ten Thousand and NO/100 Dollars ($10,000.00). (Class "C", "E", "F", & "G" Dealers exempt.)
2. The Department of State has prescribed a standard form of bond for vehicle dealers which is set forth on the reverse side hereof. This bond must be executed by the principal and surety and filed with the Department of State at the time of filing application for vehicle dealer license.
3. This bond must be executed by the principal (dealer) and surety company and filed with the Department of State at the time of filing application for vehicle dealer license. Application for dealer license will not be acted upon until the application, bond and all other required documents are filed, and the appropriate fees paid to the Department of State in Lansing.
4. Each licensee, whether an individual, corporation, or partnership, must be named in the bond as principal. In the case of an individual proprietorship, the individual's name, as well as the name under which business is being conducted, must be listed. In case of partnerships, each individual partner, as well as the name of the partnership itself, must be listed. In the case of corporations, the corporation itself must be shown on the bond but, the officers whose names appear on the application for license, need not be listed on the bond. The location of the business must also be listed. If a licensee is doing business at more than one location within a county, all such locations must be listed.
5. This is a continuous surety bond, the effective date of which may be the date of execution or a later date; however, the bond must be effective at the date of filing of application for a vehicle dealer license even though the license may not be issued until a subsequent date.
6. The bond must be executed by a surety company authorized to do business in Michigan. Every bond must be executed by a resident agent of the company licensed to do business in Michigan. If the agent is a licensed non-resident agent, the bond must also be countersigned by a licensed resident agent.
7. The attorney-in-fact who signs for the surety company must be authorized by the company. A certified copy of the appointment as attorney-in-fact must be attached to the surety bond, or a continuing copy of the appointment as attorney-in-fact must be on file with the Department.
8. The affidavit of the power of attorney must be executed on the same date as the bond, or subsequent to the date of the bond, but not before.
9. A dealer is only authorized to conduct business if a $10,000 bond is in effect. Therefore, if the surety company pays any claim under this bond, it will have the effect of reducing the bond coverage afforded to the dealer by the amount of the claim that is paid. If this occurs, the dealer will no longer be covered by the full, required amount of $10,000. Surety companies are requested to notify the Department of State of the payment of any claims under this bond.