



ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
Bond of New Motor Vehicle Dealer

LIC: 539-4B Rev. 7/08
Bond Number

KNOW ALL MEN BY THESE PRESENTS, that we

City, County, State

As Principal (hereinafter called Principal), and NAME OF SURETY, as of

Surety (hereafter call Surety), are held and firmly bound unto the State of Alabama in the sum of Twenty Five Thousand Dollars (\$25,000.00), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The conditions of the foregoing obligation are such that:

WHEREAS, the Principal has been duly appointed a "New Motor Vehicle Dealer," under the provisions of Title 40, Chapter 12, Article 8, Code of Alabama 1975, such Principal shall comply with the conditions of any contract made by such dealer in connection with the sale or exchange of any motor vehicle and shall not violate any of the provisions of law relating to the conduct of business for which he is licensed.

It is expressly understood and agreed that neither this obligation nor any liability thereunder shall be released or the validity thereof affected by reason of the adoption by the State of Alabama of any Act in lieu of or amendatory to said laws, but this obligation shall continue in full force and effect with respect to said statutes or any amendments thereto or changes therein which may be adopted before the cancellation of this obligation as herein provided, or before the actual cancellation and surrender of this obligation by the State of Alabama pursuant to any law now existing or hereafter adopted relating thereto.

It is further expressly understood and agreed that the liability of both the Principal and the Surety on this bond shall be for the license period of through September 30, and that a new bond or a proper continuation certificate must be delivered to the Alabama Commissioner of Revenue AT THE BEGINNING OF THE LICENSE YEAR, WHICH IS OCTOBER 1, AND EXPIRING ON SEPTEMBER 30 OF THE SAME LICENSE YEAR; provided, however, that the aggregate liability of the Surety in any one license year shall in no event exceed the sum of such bond.

The Surety on this bond may be released and discharged from any and all liability to the State of Alabama accruing on this bond after the expiration of sixty (60) days from the date upon which said Surety shall have filed with the Alabama Department of Revenue written request to be released and discharged provided; however, such request shall not operate to relieve, release or discharge such Surety from any liability already accrued or which shall accrue before the expiration of said sixty (60) day period.

In WITNESS WHEREOF, we hereunto set our names and seals on this the day of

NAME OF SURETY COMPANY SIGNATURE OF PRINCIPAL, PARTNER, MEMBER, OR CORPORATE OFFICER (TYPE OR PRINT NAME)

By: SIGNATURE OF AGENT OF SURETY COMPANY SIGNATURE OF PARTNER/MEMBER (TYPE OR PRINT NAME)

Telephone ( ) SIGNATURE OF PARTNER/MEMBER (TYPE OR PRINT NAME)

COMMISSIONER OF REVENUE SIGNATURE OF PARTNER/MEMBER (TYPE OR PRINT NAME)

ALL NAMES MUST BE TYPED UNDER SIGNATURES

(Instructions on Back)

# Bond Form Instructions

The surety company must complete all bonds on the form prescribed by the Alabama Department of Revenue. Note: Franchised new motor vehicle dealers are not required to submit the used motor vehicle dealer bond.

## Completion of The Bond:

- ◆ The bond must include the true legal name (as the name(s) appear on the application) of the party for whom the bond is being sought, as follows:
  - If an individual ownership, the applicant's name as well as the business name;  
*Example: John Doe, DBA ABC Auto Sales*
  - If a partnership, the names of all partners and the name of the partnership;  
*Example: John Doe & Jane Doe, DBA ABC Auto Sales*
  - If a limited liability company, the true legal name of company;  
*Example: AAA Auto Sales LLC*

**NOTE: Please complete authorization form on page 12.**

  - If a corporation, the complete corporate name.
- ◆ The bond must also show the following:
  - The city, county and state in which the business is located;
  - The name and address of the surety company providing the coverage;
  - The effective date and the expiration date of the bond coverage;  
*The coverage may not exceed one year and must not begin before October 1st and must expire on September 30th of the same license year.*
  - The issue date of the bond;
  - The telephone number of the agent.
- ◆ Type or print name of person signing form.

## Signature Section Requirements:

- ◆ All signatures must be originals.
- ◆ The bond must include the signatures of the following:
  - The signature of the surety company agent;
  - The signature of the applicant (individual owner), **all** partners, **all** LLC members, or a corporate officer. In some cases, one member may be able to sign for a Limited Liability Company. See authorization form on page 12 for details.

## Power of Attorney Requirements:

- ◆ An original power of attorney form indicating that the agent is authorized to execute the bond on behalf of the surety company must accompany the bond.
- ◆ The power of attorney must have the same date as that on the bond.

*All required documents should be mailed to:*

**Alabama Department of Revenue  
Sales, Use & Business Tax Division  
Severance & License Section  
PO Box 327550  
Montgomery, AL 36132-7550  
Telephone: (334) 353-7827**

Any bond or power of attorney received separately from application will be returned to sender.

The bond form must be an original with original signatures. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original bond.

Laser printed certificates must have surety company seal.