

## Steps to Become an Authorized Title Service Provider

Section 32-8-2 and 32-8-34, Code of Alabama 1975, allows authorized title service providers to act on behalf of a designated agent of the department or a lienholder. If an authorized title service provider fails to perform its duties, the department may revoke the authority of the title service provider to act on behalf of a designated agent or lienholder. The Act further clarifies that **“No dealer appointed as a designated agent shall process title applications on behalf of another dealer unless both dealerships are owned by the same entity”**.

To qualify as an authorized title service provider, an individual or entity must comply with the provisions of Ala. Administrative Rule 810-5-75-52.01, including submission of the following forms:

1. Memorandum of Agreement with the department
2. Title Service Provider Application (form MVT 4-6)
3. Motor Vehicle Surety Bond (form MVT 4-3)
4. Power of Attorney for each dealer, designated agent or lienholder (form MVT 5-13)

In addition, the title service provider applicant must complete the department’s designated agent class. Upon completion of the designated agent class and compliance with all requirements of Chapter 8 of Title 32, Code of Alabama 1975, and rules promulgated thereunder, the authorized title service provider will be required to complete the designated agent training seminar.

Please contact the Motor Vehicle Division at (334) 242-9000 or visit <https://www.revenue.alabama.gov/help-center/> to submit a request for assistance if you have any questions.



ALABAMA DEPARTMENT OF REVENUE  
MOTOR VEHICLE DIVISION

P. O. Box 327640 • Montgomery, AL 36132-7640  
www.revenue.alabama.gov

MVT 4-6  
9/19

# Application For Title Service Provider

COMPANY NAME: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_

PHYSICAL ADDRESS: \_\_\_\_\_

MAILING ADDRESS (if different from above): \_\_\_\_\_

CITY: \_\_\_\_\_ COUNTY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PRINCIPAL NAME(S)	TITLE	HOME ADDRESS	HOME TELEPHONE
1			
2			
3			
4			

The following are required to apply:

- A Corporate Surety Bond in the amount of **\$50,000.00**, payable to the State of Alabama. (form MVT 4-3.)
- Memorandum of Agreement
- Power of Attorney for each licensed dealer, designated agent or lienholder (form MVT 5-13)
- Complete the department's designated agent class

The undersigned states under the penalties of perjury that all information contained in this application is true and correct to the best of his/her knowledge and belief:

BY: \_\_\_\_\_  
SIGNATURE AND TITLE

\_\_\_\_\_  
DATE

**MEMORANDUM OF AGREEMENT  
FOR  
TITLE SERVICE PROVIDERS**

**Authority**

This agreement (hereinafter referred to as AGREEMENT) is made between the Alabama Department of Revenue, Motor Vehicle Division (hereinafter referred to as ADOR), and \_\_\_\_\_, (hereinafter referred to as COMPANY) through their duly authorized representatives pursuant to Section 40-2A-10, Code of Alabama, 1975.

**Purpose**

The purpose of this AGREEMENT is to allow the COMPANY upon approval as an authorized title service provider to act on behalf of a dealer, lienholder or other persons as prescribed by Section 32-8-34, Code of Alabama 1975.

**Scope of Agreement**

The COMPANY agrees to the following:

1. Provide the name, address, telephone number, email address, federal employee identification number, and any other identifying information that may be required by the ADOR in order to establish the COMPANY as an authorized Title Service Provider.
2. Provide a signed Power of Attorney (MVT 5-13) from each customer, which grants the COMPANY the authority to act on behalf of the customer.
3. Provide notice to the ADOR within five (5) calendar days of the customer discontinuing services of the COMPANY.
4. The COMPANY pursuant to Section 32-8-34, Code of Alabama 1975, agrees to post, with the ADOR, a bond executed with a corporate surety authorized to do business in Alabama as a surety, thereon payable to the state in a sum provided in Section 40-12-398, Code of Alabama 1975, conditioned on the faithful performance of duties.

Upon the COMPANY's satisfaction of all requirements to become an authorized Title Service Provider, the ADOR agrees to the following:

1. Provide the COMPANY with an Alabama Title System (ALTS) user identification and password with Title Service Provider access.
2. Provide the COMPANY with all information necessary in order to comply with this AGREEMENT and act as an agent for their customer to process title applications on their behalf.

**Confidentiality**

The COMPANY agrees to require its personnel with access to the data available on the Alabama Title System (ALTS) to sign the ADOR Non-employee Confidentiality and Disclosure Statement (COM: 103 form) acknowledging that the use of the data is to be

**MEMORANDUM OF AGREEMENT  
FOR  
TITLE SERVICE PROVIDERS**

confined solely to the purpose of providing motor vehicle data for the above mentioned purposes. The COMPANY personnel signing the Disclosure Statement shall be responsible for ensuring that access to the data is for official purposes only, and that use of such data for any other purposes than those specifically enumerated herein could be a violation of the federal Driver's Privacy Protection Act; also, that the improper use of the information could constitute a violation of the Alabama Computer Crime Act. Any unauthorized use or disclosure of information obtained by virtue of this AGREEMENT shall constitute grounds for termination of this AGREEMENT.

If the COMPANY has reason to suspect that unauthorized access to or disclosure of personal information has occurred in a manner which would constitute a violation of this agreement, or any applicable state or federal law, the recipient must notify the ADOR by telephone by the end of the next business day and follow-up with written notification within five business days. The written notification must provide the date and the specific records affected by the unauthorized access to or disclosure of personal information.

**Commencement/Termination**

This AGREEMENT is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
This AGREEMENT will become effective on the day that it is executed by both parties, is not limited to periods of time or years, and will be considered in effect until terminated.

Either party may terminate this AGREEMENT upon at least thirty (30) days written notice to the other party, said notice to specify the date of termination. In addition, the ADOR may terminate this AGREEMENT at any time without written notice when it is made aware that COMPANY is not fully and faithfully performing its obligations under this AGREEMENT and provisions of Chapter 8 of Title 32, Code of Alabama 1975, and rules promulgated thereunder.

ALABAMA DEPARTMENT OF REVENUE

\_\_\_\_\_  
Vernon Barnett, Commissioner  
Alabama Department of Revenue

\_\_\_\_\_  
Craig Banks, Chief Legal Counsel  
Alabama Department of Revenue

COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_



ALABAMA DEPARTMENT OF REVENUE  
MOTOR VEHICLE DIVISION

P.O. Box 327643 • Montgomery, AL 36132-7643  
www.revenue.alabama.gov

MVT 4-3 9/20

Bond Number

## Motor Vehicle Surety Bond

KNOW ALL MEN BY THESE PRESENTS, that we \_\_\_\_\_

City \_\_\_\_\_, County \_\_\_\_\_, State \_\_\_\_\_,

As Principal (hereinafter called Principal), and \_\_\_\_\_  
NAME OF SURETY

\_\_\_\_\_ of \_\_\_\_\_, as  
Surety (hereafter "Surety"), are held and firmly bound unto the Commissioner of Revenue of the State of Alabama, his successors and assigns, (hereafter "Commissioner") in the sum of Fifty Thousand Dollars (\$50,000.00) (hereafter "Bond"), 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 Principal represents that it has been licensed by the Alabama Department of Revenue subject to the execution and continuation of the Bond in good standing. Check all that apply:

- ☐ As a "New Motor Vehicle Dealer," "Used Motor Vehicle Dealer," "Motor Vehicle Rebuilder," "Motor Vehicle Wholesaler" or as a "Master Dealer" inclusive of these licenses in whole or in part, under Sections 40-12-390 through 40-12-400, and 40-12-445 through 40-12-450, *Code of Alabama 1975*.
- ☐ As a "Designated Agent" under Sections 32-8-34 and 32-20-22, *Code of Alabama 1975*.
- ☐ As a "Title Service Provider" under Sections 32-8-2 and 32-8-34, *Code of Alabama 1975*.
- ☐ As an "Automotive Dismantler and Parts Recycler" under Sections 40-12-410 through 40-12-425, *Code of Alabama 1975*.
- ☐ As a "Motor Vehicle Wholesale Auction" under Sections 40-12-445 through 40-12-450, *Code of Alabama 1975*.
- ☐ As a "Manufacturer" or a "Boat Dealer" or licensee otherwise described under Sections 32-6-212, *Code of Alabama 1975*.

NOW THEREFORE, in consideration of the Premises:

The Bond hereunder is conditioned that the Principal as designated by the boxes marked above shall comply with the conditions of any contract made by such licensee in connection with the sale or exchange of any motor vehicle (as that term is defined by Section 32-8-2, *Code of Alabama 1975*) and shall not violate any of the provisions of law relating to the conduct of the business for which it is licensed.

This Bond is further conditioned upon the faithful performance of Principal as Designated Agent, either personally, through any of their officer or employees, or through a title service provider, and any Title Service Provider to comply with all of the duties and requirements of any part of the Chapter starting at Section 32-8-1, *Code of Alabama 1975*, and the Chapter starting at section 32-20-1, *Code of Alabama 1975*.

This Bond is payable upon demand to the Commissioner and to his successors in office and in favor of and for the benefit of any person (as that term is defined by Section 40-1-1, *Code of Alabama 1975*) who shall recover any judgment for any loss as a result of any violation of the conditions pertaining to any of the requirements and duties of the Principal's license. The penalty provisions of the statutes through which the Principal is licensed, and any tax liability incurred by the Principal under Chapter 23 of Title 40, may be assessed against the Bond.

This Bond is continuing and must be renewed and extended from time to time for the Principal to maintain its licenses bonded hereunder. The continuation of this Bond is also conditioned upon the execution of a new bond for periods after its execution should the Department of Revenue request such upon or with the Department of Revenue's approval of an amended or new bond form pertaining to the Principal's license noted hereunder. This Bond pertains only to periods beginning on or after October 1, 2020. Bonds for the abovementioned licenses issued for periods prior to October 1, 2020 (whether or not using the same bond number) pertain only to periods ending before the effective date of this Bond.

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.

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 \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
(postdated bonds not acceptable)

\_\_\_\_\_  
(Surety)

\_\_\_\_\_  
Authorized Representative of Business (Principal) – Typed Name

\_\_\_\_\_  
(Agent of Surety Company) – Typed Name

\_\_\_\_\_  
Authorized Representative of Business (Principal) – Signature

\_\_\_\_\_  
(Agent of Surety Company) – Signature

\_\_\_\_\_  
Authorized Representative of Business (Principal) – Typed Name

\_\_\_\_\_  
Authorized Representative of Business (Principal) – Signature

# Bond Form Instructions

The surety company must complete all bonds on the form prescribed by the Alabama Department of Revenue.

## **Completion of the Bond:**

The bond must include the true legal name 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 the company; Example: ABC Auto Sales, LLC
- If a corporation, the complete corporate name; Example: ABC Auto Sales, Inc.

The bond must also reflect the following:

- The city, county and state in which the business is located;
- The name of the surety company providing the coverage;
- The date the bond was executed (postdated bonds are not acceptable);

## **Signature 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. If anyone other than the executive officer, managing partner or managing member is signing on behalf of a company, the bond must be accompanied by a resolution from the company's board of directors, managing partner or managing member authorizing the signature on behalf of the company.

Type the name of the person(s) signing the form.

## **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 must be mailed to:

Alabama Department of Revenue  
Motor Vehicle Division  
P.O. Box 327643  
Montgomery, AL 36132-7643

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

The bond form may not be duplicated. The bond form must be an original. White-outs or alterations are not acceptable. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original bond.



ALABAMA DEPARTMENT OF REVENUE  
MOTOR VEHICLE DIVISION  
www.revenue.alabama.gov  
**Power of Attorney**

MVT 5-13  
9/19

**A.**

VEHICLE IDENTIFICATION NUMBER (VIN)*												YEAR		MAKE		MODEL	
BODY TYPE						LICENSE PLATE NUMBER						STATE OF ISSUANCE					

**B.**

Taxpayer Information		Representative(s): Hereby appoint(s) the following representative(s)	
Taxpayer Name(s) and Address (Please Type or Print)		Name and Address (Please Type or Print)	
Email Address _____		Email Address _____	
Telephone Number (_____) _____		Telephone Number (_____) _____	

As my attorney-in-fact to sign my name and do all things necessary for the following purpose(s):

- ☐ Title application, transfer or lien filing      ☐ IFTA transaction(s)      ☐ register and purchase license plate(s),  
☐ Title service provider - Section A is not required  
☐ other purpose, *describe:* \_\_\_\_\_,

for my motor vehicle described above.

**ACTS AUTHORIZED**

The representative(s) is authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the matters described above. The authority does not include the power to receive refund checks or the power to sign certain returns.

LIST ANY SPECIFIC ADDITIONS OR RESTRICTIONS TO THE ACTS OTHERWISE AUTHORIZED IN THIS POWER OF ATTORNEY:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



SIGNATURE OF TAXPAYER \_\_\_\_\_ DATE \_\_\_\_\_

SIGNATURE OF TAXPAYER \_\_\_\_\_ DATE \_\_\_\_\_

**Signature of Appointee:** \_\_\_\_\_ **NOT VALID WITHOUT THIS SIGNATURE** \_\_\_\_\_ DATE \_\_\_\_\_

If a business firm or corporation is appointed, the signature shall be of an authorized representative of the firm who will perform as attorney-in-fact for the owner.

**SPECIAL NOTICE:** Any alterations or strikeouts shall void this Power of Attorney. *Original signatures are required.*