

## BOND INSTRUCTIONS

### **EXAMPLES of issuance of the Bond to reflect the dealership's ownership and name**

#### **SOLE PROPRIETOR:**

If applying as an individual owner, the applicant will be doing business as Doe's Auto Sales and the application indicates the ownership as an individual owner by the name of John Doe: The bond is issued as John Doe dba Doe's Auto Sales  
Please note that any middle names or initials listed on the application will need to be listed on the bond as well, the bond must match the application exactly.

#### **PARTNERSHIP:**

If applying as a partnership, the applicant will be doing business as Smith's Auto Sales and the application indicates the ownership as a partnership with John Smith And Mary Smith as the partners: The bond is issued as John Smith And Mary Smith DBA Smith's Auto Sales  
Please note that partnerships require the signature of all partners on the bond and most other documentation.

#### **CORPORATION OR LLC:**

If applying as a corporately owned or LLC owned dealership and the name of the corporation or LLC reflects autos, trailers, or motorcycles, ect. The name of the dealership could be the same. For example, Doe's Autos and Trailers, Inc. Doe's Autos and Trailers, Inc. would be registered with the Nebraska Secretary of State, Business Services.

Doe's Auto and Trailers, Inc. would be entered as the doing business as name as well as the ownership name on the dealer's license application.

The bond would be issued as Doe's Autos and Trailers, Inc.

If a 'DBA' name is required because the corporate name or LLC does not reflect car, auto, trailer sales, ect. Or the name of the dealership is different than the name of the corporation or LLC: for example, the applicant is applying as Smith Motorcycle Sales with the owner type of LLC listing name as Smith Enterprises LLC.

The name of dealership section is Smith Motorcycle Sales

The ownership name is Smith Enterprises LLC (Smith Enterprises LLC would be registered with the Secretary of State)

The bond would be issued as Smith Enterprises LLC DBA Smith Motorcycle Sales.

In this last example the dealerships sign, telephone number, and any advertising would be in the name of the dealership: Smith Motorcycle Sales.

The bond with the signatures of the applicant(s) will be uploaded to the application form. The dealer applicant should keep a copy of the bond for their records. The bond must be signed by a Nebraska registered agent and include the printed name and address of the agent; a copy of the agent's Nebraska Producer's License should accompany the bond. If a bond rider must be issued to correct the name of the principal or county of the dealership, the bond rider must be attached to the original bond (do not alter the original bond). Please call our agency if you have any questions about the name of the dealership being acceptable or perhaps in use by another dealership.

BOND
NEBRASKA MOTOR VEHICLE, TRAILER, WHOLESALE, OR MOTORCYCLE DEALER

KNOW ALL MEN BY THESE PRESENTS:

That we \_\_\_\_\_ of the County of \_\_\_\_\_, Nebraska, as Principal, and \_\_\_\_\_, a corporation, created, organized and existing under and by virtue of the laws of the State of \_\_\_\_\_, and duly licensed and authorized to transact a surety business in the State of Nebraska, as Surety, are held and firmly bound unto the State of Nebraska, for the use and benefit of interested persons, both resident and nonresident, under the Nebraska Motor Vehicle Industry Licensing Act in the total aggregate sum of Fifty Thousand and No/100 Dollars (\$50,000.00) for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the said \_\_\_\_\_ has made application to the Nebraska Motor Vehicle Industry Licensing Board for a license of a motor vehicle, trailer, wholesale, or motorcycle dealer in accordance with Neb. Rev. Stat. 60-1401 et seq., as amended to date, has paid or deposited all fees in connection therewith, and is required by the provisions of the Nebraska Motor Vehicle Industry Licensing Act to furnish a corporate surety bond on the terms and conditions of said Act.

NOW, THEREFORE, upon such license being issued to the said Principal hereinabove named (1) shall faithfully perform all of the terms and conditions of said license, (2) shall fully indemnify any person or other dealer by reason of any loss suffered because of (a) the substitution of any motor vehicle or trailer other than the one selected by the purchaser, (b) the licensee's failure to deliver to the purchaser a clear and marketable title, (c) the licensee's misappropriation of any funds belonging to the purchaser, (d) any alteration on the part of the licensee so as to deceive the purchaser as to the year model of any motor vehicle or trailer, and (e) any false and fraudulent representations or deceitful practices whatever in representing any motor vehicle or trailer, and (3) if the licensee shall well, truly and faithfully comply with all provisions of his license and the acts of the Legislature relating thereto, then this obligation shall be null and void; otherwise it shall be and remain in full force and effect.

THIS BOND IS SUBJECT TO THE FOLLOWING PROVISIONS:

- 1. That any person who sustains an injury covered by this bond may, in addition to any other remedy he may have, bring an action in his own name upon this bond for the recovery of any damages sustained by him, which damages may include reasonable attorney fees to be awarded by a court of competent jurisdiction.
2. That the aggregate liability of the Surety shall in no event exceed the penalty of said bond.
3. That the Surety may cancel this bond and be relieved of further liability hereunder by delivering sixty days written notice to the Principal and the Nebraska Motor Vehicle Industry Licensing Board stating its desire to be relieved of liability on said bond and its reasons therefor.
4. That the rights of the Principal under such license, as is supported by said bond, shall be terminated and cancelled on the date specified, unless supported by other sufficient bond, or bonds, and the Surety shall be relieved of liability; however, such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said period and during the term of the bond.
5. That in no event will the Surety be relieved of liability on said bond until it shall have paid and discharged in full all liability upon said bond, for any default of the Principal accruing during the life of said bond.
6. That in the event the Principal and the Surety under this bond, or either of them, is served with notice of any action commenced against said Principal or against the Surety under the bond, said Principal and Surety shall respectively and immediately give written notice of the commencement of such action to the State of Nebraska at the office of the Nebraska Motor Vehicle Industry Licensing Board in Lincoln, Nebraska.

This bond shall be effective for the license year ending December 31, \_\_\_\_\_.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

PRINTED Name of Corporation or Association (Surety)

PRINTED Name of Dealership

By \_\_\_\_\_ SIGNATURE of Attorney In Fact

\_\_\_\_\_  
SIGNATURE of Principal(s)

PRINTED Name of Attorney In Fact

\_\_\_\_\_  
PRINTED Name of Principal(s)

\_\_\_\_\_  
SIGNATURE of Nebraska Registered Agent

\_\_\_\_\_  
PRINTED Name of Nebraska Registered Agent

\_\_\_\_\_  
PRINTED Address of Agent