



South Carolina Department of Motor Vehicles

MOTOR VEHICLE DEALER AND WHOLESALER SURETY BOND

DLA-1B
(Rev. 2/04)

Dealer Number _____

Please read instructions on reverse side before executing bond.

BOND NUMBER _____ EFFECTIVE DATE _____ TIME _____ A.M.
P.M.

KNOW ALL MEN BY THESE PRESENTS: that we _____
(Firm Name as Licensed)

Doing business at _____

as Principal and _____ as Surety

are duly authorized to do business within the State of South Carolina, as Surety, are held and firmly bound unto the people of the State of South Carolina to indemnify any owner of a motor vehicle, or his legal representative, who may be aggrieved by any fraud, fraudulent representation or violation by said Principal, salesmen, or representatives acting for such Principal within the scope of employment of such salesmen or representatives, of any of the provisions of Title 56 of the South Carolina Code of Laws relating to Motor Vehicle Dealers and the sale and transfer of motor vehicles, in the amount of Fifteen Thousand Dollars (\$15,000), lawful money of the United States of America, for which payment, well and truly to be made, we bind ourselves, jointly and severally, our joint and several heirs, executors, administrators, successors, and assigns, firmly by these presents; provided that the aggregate liability of the surety under this bond for any and all claims is limited to Fifteen Thousand Dollars (\$15,000) or to the amount of the actual loss incurred, whichever is less.

WHEREAS, the above bounden Principal desires that a motor vehicle dealer's or wholesaler's license be issued and thereafter reissued from time to time by South Carolina Department of Motor Vehicles;

WHEREAS, this bond executed by the said Principal and Surety is filed with the South Carolina Department of Motor Vehicles in compliance with S.C. Code Ann., 56-15-320, to enable said Principal to obtain a license from the Department under the provisions of that law.

NOW THEREFORE, the conditions of this obligation are such that if the Principal shall well and truly observe and strictly and faithfully comply with the aforesaid requirements of law and shall save and keep harmless any owner of a motor vehicle or his legal representation made to him by such Principal, such Principal's salesmen or representatives acting for the Principal or within the scope of the employment of such salesmen or representatives, or from any loss or damage suffered by reason of the violation such Principal or any such salesmen or representatives of any of the provisions of Title 56 of the South Carolina Code of Laws relating to Motor Vehicle Dealers and the sale and transfer of motor vehicles, then this obligation shall be null and void; otherwise it shall remain in full force and effect. It is understood that the injured party need not obtain a judgment against the Principal before making claim against the Surety on this bond.

This bond shall not automatically expire with the license for which it is initially issued, but shall continue indefinitely, from license year to license year, upon timely payment of the premium thereon. Before this bond may be cancelled, a thirty (30) day written notice must be given to the Department of Motor Vehicles. Such cancellation does not affect any liability incurred or accrued prior to cancellation.

(Principal)

(Surety)

By: _____
(Title)

By: _____
(Title)

MOTOR VEHICLE DEALER'S AND WHOLESALER'S SURETY BOND INSTRUCTIONS

1. Every applicant for a motor vehicle dealer's and wholesaler's license must furnish a surety bond and Power of Attorney in the penal amount of Fifteen Thousand Dollars (\$15,000.00) on a form to be prescribed by the Executive Director of the Department of Motor Vehicles .
2. The Executive Director of the Department of Motor Vehicles has prescribed a standard form of bond for motor vehicle dealers - Motor Vehicle Dealer's and Wholesaler's Surety Bond (Form DLA-1B), which is set forth on the reverse side hereof.
3. This bond must be executed by the applicant, as principal, and by a corporate surety company authorized to do business in this State, as surety, and given to the Department before the application can be acted upon.
4. This bond must be signed by either the owner, partner or corporate officer of the dealership (Principal) and an agent from your surety company.
5. The bond must be effective prior to or at the time of the granting of a license.
6. If the bonding company has changed, please submit a new original bond and Power of Attorney at the time of renewal.
7. If, during the license year, there is any change in a principal's name, address or ownership then an endorsement from the surety agent or a new bond will be required along with a new application for Dealer/Wholesaler License.