Form 417057
06-07

Iowa Department of Transportation

IOWA MOTOR VEHICLE DEALER BOND

KNOW ALL MEN BY THESE PRESENTS: BOND NO. _____

That we _____ (Applicant) DBA _____ (Firm Name) Dealer No. _____ _____ (City), Iowa, as Principal, and the _____ (Bonding Company), a corporation duly licensed to do business in the State of Iowa, as Surety, are held and firmly bound unto the State of Iowa in the penal sum of FIFTY THOUSAND DOLLARS ($50,000) for the payment of which, well and truly to be made, we bind ourselves and our legal representatives, jointly and severally by these presents.

THE CONDITION of the above obligation is such that WHEREAS the Principal has applied for the issuance of a Motor Dealer's License and presents this bond in accordance with said statute.

NOW, THEREFORE, if the aforesaid Principal shall faithfully comply with all the statutes of the State of Iowa regulating or being applicable to the business of said dealer as a dealer in motor vehicles, and shall indemnify any person who buys a motor vehicle from the dealer from any loss or damage occasioned by the failure of the dealer to comply with any of the provisions of Chapters Three Hundred Twenty-one (321) and Three Hundred Twenty-two (322), the Code of Iowa, as amended, including but not limited to, the furnishing of a proper and valid Certificate of Title to the motor vehicle involved in a transaction, then this obligation to be void; otherwise, to remain in full force and effect.

The aggregate liability of the Surety of all persons shall not exceed the amount of the bond during any one license year.

This bond shall be effective on the _____ day of _____, _____ (Year), and shall operate as a new bond for each license year it is in effect.

"This bond may be cancelled by the Surety giving written notice to the Principal and the Iowa Department of Transportation, P.O. Box 9278, Des Moines, IA 50306-9278, stating the date of cancellation which in no event shall be less than 30 days after receipt of said notice by the Department of Transportation, however the Surety shall remain liable for any and all acts of the principal covered by this bond up to the date of cancellation."

Dated this _____ day of _____, _____ (Year).

WITNESS TO PRINCIPAL

_____ _____

_____ _____
Principal

WITNESS TO SURETY

_____ _____

_____ By _____

SAMPLE