

Uniform Manufactured Housing Retailer's Consumer Deposit Surety Bond

Michigan Department of Labor & Economic Growth

Bureau of Construction Codes

Building Division

P.O. Box 30254

Lansing, MI 48909

517-241-9317

www.michigan.gov/bcc

Authority: 1987 PA 96
Completion: Voluntary
Penalty: Failure to complete may result in denial of license

The Department of Labor and Economic Growth will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, disability, or political beliefs. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

READ INSTRUCTIONS ON REVERSE SIDE BEFORE EXECUTING BOND

KNOW ALL PEOPLE BY THESE PRESENTS, that _____ BOND NUMBER _____

of

as principal, and

a surety company licensed to do business in the State of Michigan, as surety, are held and firmly bound unto persons making security deposits with the above-named principal in the total penal sum of _____ dollars (\$ _____) lawful money of the United States, for which sum well and truly to be paid, said principal and surety bond themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, and each of them firmly by these presents.

WHEREAS, the above-named principal is a manufactured housing retailer collecting consumer deposits per the terms and definitions of 1987 PA 96, MCL 125.2301 to 125.2349.

WHEREAS, the above-named principal is required by Section 24 of 1987 PA 96 to post a surety bond unless that principal will be maintaining an escrow account or has deposited cash or securities with the Building Division in lieu of such bond.

NOW, THEREFORE, the condition of this obligation is such that if the above-named principal shall reimburse any person who has made a consumer deposit pursuant to a purchase agreement entered into, renewed, or renegotiated after effective date and makes a claim therefore under the terms and conditions of 1987 PA 96 during the term of this bond, then this obligation as to him shall be null and void; otherwise, it shall remain in full force and effect. Provided, however, that the surety shall be required to make reimbursement only after final judgment has been rendered in the district, common pleas or municipal court where the principal resides or does business.

This bond is executed and accepted subject to the following conditions:

1. Coverage is provided herein and extended without notification to the surety for any change of officers, if the principal is a corporation.
2. Change in business name of the principal is permitted only where the ownership of dealership does not change.
3. The aggregate liability of the surety for all judgments under the bond shall, in no event, exceed the sum of the bond.
4. The principal shall annually file with the surety and Building Division a certified statement of the consumer deposits held and the surety shall within 30 days of the filing of the statement review the bond amount accordingly. Any revision of the bond amount shall not be cumulative.
5. The books and records of a principal upon the bond shall be open to the inspection during reasonable business hours to the surety and the Building Division insofar as such records relate to the consumer deposits.
6. Where there is a management company, rental agent or other like or similar entity accepting security deposits for or on behalf of another legal entity, the bond shall name as principal such management company or other like or similar entity and the legal entity for whom such deposits are accepted.
7. Coverage hereunder shall be effective as of 12:01 a.m. on _____ and shall continue in full force and effect until cancelled by surety or principal. Cancellation of this bond may be made by either surety or principal giving 30 days notice in writing by certified mail to the other party, the Building Division at the address listed above, and therefore, both principal and surety shall be released from liability for any breach of condition of this bond occurring after the effective date of said cancellation. Where said cancellation is the result of the termination of a retailer's interest in a dealership, the notice of cancellation shall include the name and address of the retailer's successor in interest.

Signed, sealed and dated this _____ day of _____, 20_____.

PRINCIPAL

WITNESS

WITNESS

BY

TITLE

MAILING ADDRESS OF SURETY

SURETY

BY

Uniform Manufactured Housing Retailer's Consumer Deposit Bond Instructions

Attention Manufactured Housing Retailers, Bond Companies, and Agents: If this bond is not completed correctly, it is not in force and a retailer must maintain an escrow account or have deposited cash or securities with the Building Division. Therefore, be sure to complete the bond according to the instructions.

1. The amount of this bond shall be determined in the following manner: It must at least equal the highest monthly receipt of consumer cash deposits or the cash value of other securities, excluding cash sales, recorded over the past 36 months. This bond must be reviewed on an annual basis. This is a continuous bond.
2. The bond number must be on the face of the bond, preferably in the upper right hand corner.
3. The principals, business name and address shall be the same as shown on the manufactured housing retailer's surety bond.
4. The bond must be executed by a surety company authorized to do business in Michigan. Every bond must be executed by an agent of the company licensed by the Manufactured Housing Commission. If the agent is a licensed non-resident agent, the bond must also be countersigned by a licensed resident agent.
5. The attorney-in-fact who signs for the surety company must be authorized by the company. A certified company of appointment as attorney-in-fact must be attached to the surety bond, or a continuing copy of appointment as attorney-in-fact must be on file with the Building Division.
6. The affidavit of the power of attorney must be executed on the same date as the bond or subsequent to the date of the bond, but not before.
7. For a business with more than one location, one consumer deposit bond may be maintained for all locations. All locations must be listed on the bond.
8. This bond does not, at any time, replace the \$10,000 surety bond required of each manufactured housing retailer.

Surety Bond Application

AGENCY NAME: _____ AGENCY CONTACT: _____
AGENCY PHONE: _____ AGENCY FAX: _____ AGENCY EMAIL: _____
AGENCY ADDRESS: _____ City: _____ State: _____ Zip: _____

CURRENT OR EXPIRING QUOTE WE ARE LOOKING TO BEAT? _____

NAME OF PREVIOUS SURETY COMPANY WRITING THE BOND? _____

SECTION I: BOND APPLIED FOR

Type of Bond: _____ Effective Date: _____ Expiration Date: _____

Type of Company **CORP** ☐ **LLC** ☐ **DBA** ☐ **PARTNERSHIP** ☐ Bond Amount: _____

(Obligee): _____

Obligee Address _____

SECTION II: GENERAL INFORMATION

Applicant's Name: _____ Spouse Name: _____

SS#: _____ Spouse SS#: _____ Home Phone: () _____

Residence Address: _____ City: _____ State: _____ Zip: _____

Business Name: _____

Business Phone: () _____ Business Fax: () _____ E-mail: _____

Business Address: _____ City: _____ State: _____ Zip: _____

Date Business BEGAN under present Individual or Firm Name: _____ BUSINESS TAX ID: _____

HAS ANY COMPANY REFUSED TO ISSUE BONDS FOR ANY PURPOSE? YES ☐ NO ☐ DO YOU HAVE ANY LIENS, CLAIMS OR JUDGMENTS AGAINST YOU? YES ☐ NO ☐

HAS APPLICANT EVER FAILED IN BUSINESS? YES ☐ NO ☐ HAS APPLICANT EVER FILED BANKRUPTCY? YES ☐ NO ☐

IF YES TO ANY, PLEASE EXPLAIN ON A SEPERATE SHEET OF PAPER

SECTION III: ADDITIONAL OWNERS OR PARTNERS AS REQUIRED

NAME: _____ SPOUSE NAME: _____

SS#: _____ SPOUSE SS#: _____ PHONE: _____

HOME ADDRESS: _____ City: _____ State: _____ Zip: _____

PERSONAL FINANCIALS (IF MORE THAN ONE OWNER, EACH HAS TO FILL OUT THIS APPLICATION)

STATEMENT OF ASSETS AND LIABILITIES AS OF

ASSETS		LIABILITIES	
CASH IN BANK		NOTES PAYABLE TO BANKS	
CASH ON HAND		NOTES TO OTHERS (excl. of equipment)	
STOCKS AND BONDS		ACCOUNTS PAYABLE	
ACCOUNTS RECEIVABLE		FEDERAL & STATE INCOME TAX DUE	
NOTES RECEIVABLE		ALL OTHER TAXES	
INVENTORY		ACCRUALS, PAYROLLS, ETC.	
CASH VALUE LIFE INSURANCE			
EQUIPMENT		DUE ON EQUIPMENT	
REAL ESTATE		DUE ON REAL ESTATE	
OTHER ASSETS		OTHER LIABILITIES	
		CAPITAL STOCK (if a corporation)	
		SURPLUS AND UNDIVIDED PROFITS	
TOTAL ASSETS		TOTAL LIABILITIES	
		NET WORTH	
Name of Owners		Name and Title of Officers	% OWNERSHIP IN COMPANY

COMPLETION OF THIS FORM CONSTITUTES PERMISSION FOR WORLDWIDE INSURANCE SPECIALISTS INC. TO OBTAIN CONSUMER INFORMATION WHICH WILL BE USED TO DETERMINE BONDING ELIGIBILITY. THIS INFORMATION WILL BE HELD IN THE STRICTEST CONFIDENCE
NO PREMIUM FINANCING WILL BE ACCEPTED AS PREMIUM IS EARNED IN FULL.

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