

# INDEMNITY BOND

(N. C. General Statute 20-76)

NORTH CAROLINA

\_\_\_\_\_ COUNTY

Bond No \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

That we \_\_\_\_\_, as principal and  
(NAME OF APPLICANT)

\_\_\_\_\_ a corporation,  
(NAME OF SURETY COMPANY)

authorized to do business in the State of North Carolina, and duly licensed by the North Carolina Commissioner of Insurance for the purpose of making, guaranteeing or becoming sole surety on bonds or undertakings, required or authorized by the State of North Carolina, as surety, are held and firmly bound to the State of North Carolina, Division of Motor Vehicles, in the sum of \_\_\_\_\_ ( \_\_\_\_\_ ), lawful money of the United States of America, for the payment whereof well and truly to be made, we bind ourselves, our heirs, executors, successors and assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that,

WHEREAS, the above bound principal has made application to the Division of Motor Vehicles for a new motor vehicle certificate of title to \_\_\_\_\_ under Chapter 20 of the  
(MAKE OF VEHICLE) (IDENTIFICATION NUMBER)  
General Statutes of North Carolina; and

WHEREAS, the said principal states that he is unable to present a certificate of title to said motor vehicle because the same has been lost, or is being unlawfully retained by one in possession, or is not otherwise available; and

WHEREAS, the Division of Motor Vehicles has advised said principal that a new certificate of title would be issued upon the filing of a bond as required by Section 76 of Chapter 20 of the General Statutes of North Carolina; and

WHEREAS, under the terms of said Section a surety bond is required of said principal with good and sufficient surety, conditioned to indemnify any prior owner or lienholder, any subsequent purchaser of the vehicle or person acquiring any security interest therein, and their respective successors in interest, against any expense, loss or damage by reason of the issuance of a new certificate of title or on account of any defect in or undisclosed interest in the right, title and interest of the principal in and to said motor vehicle; and

WHEREAS, an action for damages on said bond may be instituted by any person injured by the issuance of the new certificate of title to said principal;

NOW, THEREFORE, and in consideration of the issuance of a new certificate of title by the Division of Motor Vehicles, this bond is given by the above bound principal in compliance with Section 76 of Chapter 20 of the General Statutes of North Carolina and conditioned upon the rights and remedies provided therein.

Upon issuance of said new certificate of title, the said bond shall become effective and remain in full force and effect until surrendered by the State of North Carolina, Division of Motor Vehicles, as provided in Section 76 of Chapter 20 of the general Statutes of North Carolina.

PROVIDED, HOWEVER, that the aggregate liability of the surety to all persons for damage by reason of the issuance of said new certificate of title shall not exceed the amount of the bond.

IN WITNESS WHEREOF, the above bound parties have executed this instrument under their several seals this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In the presence of:

\_\_\_\_\_  
(INDIVIDUAL PRINCIPAL) (SEAL)

\_\_\_\_\_  
(INDIVIDUAL PRINCIPAL) (SEAL)

Attest:

\_\_\_\_\_  
(CORPORATE PRINCIPAL)

\_\_\_\_\_  
(BUSINESS ADDRESS)

By \_\_\_\_\_ (Affix Corporate Seal)

Attest:

\_\_\_\_\_  
(SURETY)

\_\_\_\_\_  
(BUSINESS ADDRESS)

By \_\_\_\_\_ (Affix Corporate Seal)

Note: Surety bond must be executed by a surety company authorized to do business in North Carolina; must be executed or countersigned by North Carolina resident agent; when executed by an attorney-in-fact, copy of power of attorney must be attached. Any alteration of this document necessitates the issuance of a new bond or an attached amendment from the Surety Company.

## **REQUIREMENTS FOR OBTAINING TITLE BY FILING AN INDEMNITY BOND**

1. Application for title (Form MVR-1) completed in full and signed in the presence of a notary. The name on the MVR-1 must be identical to the name listed on the Indemnity Bond.
2. Affidavit of Facts (Form MVR-92H) must be completed in full detail. Any omissions or incomplete answers could result in a delay or denial in the issuance of a title by bond. This form must be signed in the presence of a notary.
3. The vehicle must be inspected by a DMV License & Theft inspector. The inspector will provide a report of inspection (ENF-270). The vehicle must be in operating condition before bonding.
4. An Indemnity Bond written by an insurance company licensed to write Surety Bonds in North Carolina. The bond must be for one and one-half (1½) times the value of the vehicle as shown in the Value Schedule provided by the Division and must be for a minimum of \$100.00. The bond must remain on file with the Division for a period of three years.
5. The value of motor vehicles is determined from the current Value Schedule. For mobile homes and vehicles not listed in the Value Schedule, two appraisals from North Carolina dealers will be required. The appraisals must be on the dealer's letterhead. The bond must be for one and one-half (1½) times the highest appraisal.
6. Title fee is \$35.00.
7. Highway use tax in the amount of 3% of the value of the vehicle as determined by the Value Schedule.

### ***BONDS ARE NOT ACCEPTABLE:***

1. On abandoned vehicles (see GS 20-77)
2. Mechanics and Storage liens (see GS 44A)
3. When there is an outstanding lien for which a lien cancellation cannot be furnished (see GS 20-58.4)
4. When litigation is pending
5. When the vehicle is not domiciled in North Carolina
6. When the applicant is a nonresident and the vehicle is not registered in North Carolina.



### ***CHECK LIST FOR APPLICATION FOR TITLE BY BOND***

Please check your documentation to insure that all the following statements can be answered in the affirmative.

1. Bond is signed and witnessed on reverse side by the bonding company and applicant.
2. Power of Attorney from bonding company is attached
3. Name on MVR-1 and name on Bond are identical
4. Vehicle identification number on MVR-1 and Bond are identical
5. No alterations exist on the bond
6. Lien release, if required, is attached
7. Inspector's report is attached
8. If vehicle is a mobile home, two appraisals are attached
9. Vehicle make and body style are identical on the MVR-1 and Bond
10. MVR-92H has been completed in detail and signed in the presence of a notary
11. Any evidence of ownership is attached

## SURETY BOND APPLICATION

AGENCY NAME: \_\_\_\_\_ AGENCY CONTACT \_\_\_\_\_  
 AGENCY PHONE: \_\_\_\_\_ AGENCY FAX: \_\_\_\_\_ E-MAIL: \_\_\_\_\_  
 AGENCY ADDRESS: \_\_\_\_\_  
(Street) (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: \_\_\_\_\_ AMOUNT: \_\_\_\_\_  
 OBLIGEE: \_\_\_\_\_ EFF. DATE: \_\_\_\_\_ EXP. DATE: \_\_\_\_\_  
 OBLIGEE ADDRESS: \_\_\_\_\_  
(Street) (City) (State) (Zip)  
 BUSINESS NAME: \_\_\_\_\_  
 BUSINESS PHONE: \_\_\_\_\_ BUSINESS FAX: \_\_\_\_\_ Client E-mail \_\_\_\_\_  
 BUSINESS ADDRESS: \_\_\_\_\_  
(Street) (City) (State) (Zip)  
 TYPE OF COMPANY CORP  LLC  DBA  PARTNERSHIP  HOW MANY OWNERS? \_\_\_\_\_

DATE BUSINESS ESTABLISHED: \_\_\_\_\_ BUSINESS TAX ID: \_\_\_\_\_  
 HAS ANY COMPANY REFUSED TO ISSUE BONDS FOR ANY PURPOSE? YES  NO  DO YOU HAVE ANY LIENS, CLAIMS, OR JUDGEMENTS AGAINST YOU? YES  NO   
 HAS APPLICANT EVER FAILED IN BUSINESS? YES  NO  HAS APPLICANT EVER FILED BANKRUPTCY? YES  NO

**SECTION II: GENERAL INFORMATION**

OWNER'S NAME: \_\_\_\_\_ SPOUSE NAME \_\_\_\_\_  
 SS#: \_\_\_\_\_ SPOUSE SS# \_\_\_\_\_ HOME PHONE: \_\_\_\_\_  
 RESIDENTIAL ADDRESS: \_\_\_\_\_  
(Street) (City) (State) (Zip)  
 ADDITIONAL OWNERS / PARTNERS  
 OWNER'S NAME: \_\_\_\_\_ SPOUSE NAME \_\_\_\_\_  
 SS#: \_\_\_\_\_ SPOUSE SS# \_\_\_\_\_ HOME PHONE: \_\_\_\_\_  
 RESIDENTIAL ADDRESS: \_\_\_\_\_  
(Street) (City) (State) (Zip)

**PERSONAL FINANCIAL STATEMENT OF ASSETS & LIABILITIES AS OF \_\_\_\_\_**

ASSETS		LIABILITIES	
CASH IN BANK	\$	NOTES PAYABLE TO BANKS	\$
CASH ON HAND	\$	NOTES PAYABLE TO OTHERS	\$
STOCKS & BONDS	\$	ACCOUNTS PAYABLE	\$
ACCOUNTS RECEIVABLE	\$	FEDERAL & STATE INCOME TAX DUE	\$
NOTES RECEIVABLE	\$	ALL OTHER TAXES	\$
INVENTORY	\$	ACCRUALS, PAYROLLS, ETC.	\$
CASH VALUE OF LIFE INSURANCE	\$	DUE ON EQUIPMENT	\$
EQUIPMENT	\$	DUE ON REAL ESTATE	\$
REAL ESTATE	\$	OTHER LIABILITIES	\$
OTHER ASSETS	\$	CAPITAL STOCK (IF A CORPORATION)	\$
		SURPLUS & UNDIVIDED PROFITS	\$
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>TOTAL LIABILITIES</b>	<b>\$</b>
		<b>NET WORTH</b>	<b>\$</b>
<b>NAME OF OWNERS</b>	<b>NAME &amp; TITLE OF OFFICERS</b>	<b>PERCENTAGE OF OWNERSHIP</b>	

Completion of this form constitutes permission for worldwide insurance specialists inc. to obtain consumer information which will be used to determine bonding eligibility.

<b>Worldwide Insurance Specialists, Inc</b> 2424 W. Missouri AVE Phoenix, AZ 85015 E-Mail <a href="mailto:SAM@WWISINC.COM">SAM@WWISINC.COM</a>	<b>Toll Free: (888) 518-8011</b> <b>Local (602) 749-0702</b> <b>Fax: (602) 674-8235</b>
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