

Auto Dealers Bond Service

N80 W14824 Appleton Ave. Menomonee Falls, WI 53051
MAILING ADDRESS: PO Box 1180 Menomonee Falls, WI 53052
 Phone: 262-255-5100 – Fax: 262-255-4189

APPLICATION AND AGREEMENT FOR DEALER BOND

IMPORTANT: Please Type or Print in Ink. Complete Questions 1 thru 15 – Date, Sign, and Witness
*** A Credit Report will be obtained on both the Applicant and Spouse.**

- 1) Full Name of Applicant (Exactly as on State license) _____
 Phone: _____
- 2) Address _____ Dealer No. _____
- 3) Type of Vehicle Sold by Dealership New New & Used Used
- 4) Average number of vehicles sold per year _____
- 5) No. of years in Business? _____
- 6) Bond Effective/Renewal Date _____
- 7) Name & Address of Oblige: STATE OF WISCONSIN, DOT Dealer Section, PO Box 7909, Madison, WI 53707
- * 8) Do you have any lawsuits, judgments or liens pending? _____
- * 9) Has your company, any of its principals or spouses, or a company with which they were associated ever failed in business, petitioned for bankruptcy or compromised creditors? _____
- * 10) Have you or any principals in your company ever been charged or convicted of a criminal offence other than a minor traffic violation? _____
- * 11) Has any bonding company refused to issue or continue a bond for the applicant? _____
- * 12) Name of current bonding company _____

13) Business Financial Information as of _____ (insert date) Attached Financial Statement

ASSETS		LIABILITIES	
Cash & Securities		Accounts Payable	
Accounts Receivable		Short Term Debt	
Inventory		Long Term Debt	
Real Estate		Retained Earnings and/or Net Worth	
Equipment			
Total		Total	

14) Personal Financial Information as of _____ (insert date) Attached Financial Statement

ASSETS		LIABILITIES	
Cash		Accounts Payable	
Accounts Receivable		Mortgage Debt	
Real Estate		Other Liabilities	
Other Assets		Net Worth	
Total		Total	

15) List majority stockholder of the applicant, if a corporation; owner, if a proprietorship;
 if a partnership; or all partners,

Name and Title	Residence Address	Social Security Number

Indemnity Agreement

The undersigned (collectively "indemnitor") represents that all statements made in this Application and in any Application Supplement are true and made without reservation to induce Liberty Mutual Insurance Company and any other company that is part of or added to the Liberty Mutual Group, severally not jointly, and/or for which surety business is *underwritten* by Liberty Mutual Surety ("Surety") to extend surety credit in any manner, including but not limited to providing or having provided requested Bond(s) in reliance upon the provision of its indemnity, and hereby agrees with Surety, its successors and assigns, as follows: (1) to pay premiums when due; (2) to deliver evidence satisfactory to Surety, of the release of all liability; (3) to exonerate and indemnify Surety from and against all claims, losses, liability, damages of any type (including punitive), costs, fees, expenses, suits, orders, judgments, or adjudications whatsoever which Surety may incur in any manner related to the extension of surety credit, including the enforcement of the agreements contained herein and any matter subject to any bankruptcy court (collectively "LOSS"); (4) That Surety shall have the right, at its sole discretion, to pay, adjust, settle or compromise any LOSS and the voucher or other evidence of such payment, settlement or compromise, whether Surety was liable therefore or not, shall be prima facie evidence of the fact and extent of Indemnitor's liability; (5) to place Surety in funds immediately upon demand, the amount Surety deems necessary to protect itself from any LOSS or potential LOSS, whether or not Surety has made payment or posted a reserve, Surety having the right to use all or part of these funds in payment or settlement of any LOSS or in reimbursement to Surety for payment of same; (6) that Indemnitor hereby authorizes Surety to investigate statements made herein and to check credit with creditors and/or lending institutions, and further authorizes any present or former employer or any other person, firm or corporation, to furnish information concerning Indemnitor in connection with the Surety's extension of surety credit and with Indemnitor compliance with obligations hereunder and under any Bond or underlying obligation, and Indemnitor hereby releases any of the aforementioned from liability in consequence of furnishing or disclosing such information; (7) that Surety may bring separate suits to recover hereunder as causes of action shall accrue and that the bringing of suit or recovery of judgment upon any cause of action shall not prejudice or bar the bringing of other suits upon other causes of action, whether heretofore or thereafter arising; (8) that *and* all other rights which Surety may have or acquire against Indemnitor under other or additional agreements of indemnity or any other written agreement (with this Agreement collectively "INDEMNITY") related to the extension of surety credit, shall be in addition to and not in lieu of the rights afforded Surety under this Agreement; (9) that if Surety executes any Bond(s) with any co-surety or reinsures all or any part of any Bond(s), that all the terms of this Agreement shall apply and operate for the benefit of such co-surety and reinsurer, as their interests may appear; (10) that these covenants shall be jointly and severally binding upon Indemnitor, its respective heirs, executors, administrators, successors and assigns; (11) that Surety shall have the right to decline to issue or to cancel Bond(s) at any time, free of claim for loss or damage by Indemnitor, and Surety shall be under no obligation to disclose its reasons therefore, the provisions of any law to the contrary being hereby waived; (12) that the exercise, delay of or failure by Surety to exercise of any right, remedy or power whatsoever shall not preclude Surety's simultaneous or subsequent exercise or constitute any waiver of such or other rights, remedies or powers; (13) if any Bond(s) cover the replacement of lost securities, Indemnitor will at its own cost, promptly deliver said securities to Surety if said securities come under Indemnitor's control or possession; (14) that if any Bond(s) relate to the assets of an estate, Indemnitor will provide reasonable access to all records concerning the estate and upon request shall provide a written report of the condition of the estate. Furthermore, Indemnitor grants, assigns, pledges and conveys to Surety as security, a lien on and security interest in and to Indemnitor's interest, title and rights in the proceeds of any insurance policy affording coverage for all or part of any bonded obligation, and in the contracts or obligations (and all proceeds thereof without limitation) that grow in any manner whatsoever as a result of the extension of surety credit. While the lien and security interests are effective immediately, Surety may exercise its remedies with respect to such only in the event of: a) Indemnitor's failure to fulfill any obligation whatsoever for which i) Bond(s) are provided, ii) contained in any Bond(s), or iii) contained within any INDEMNITY agreement with the Surety; and b) any assignment by Indemnitor for the benefit of creditors or any agreement or proceeding of liquidation, receivership or bankruptcy whatsoever. Indemnitor hereby authorizes Surety to file any such financing statement as Surety deems necessary or appropriate to perfect the liens and security interest granted herein.

With respect to Court Bonds and Receiver/Trustee Bonds: INDEMNITORS ACKNOWLEDGE AND AGREE THAT THE FIRST YEAR PREMIUM IS FULLY-EARNED WHEN THE BOND IS ISSUED EVEN IF THE BOND IS SUBSEQUENTLY REDUCED OR TERMINATED DURING THE FIRST YEAR. IF A BOND IS REDUCED OR TERMINATED DURING THE SECOND OR SUBSEQUENT YEAR AFTER A RENEWAL PREMIUM IS PAID, THE RENEWAL PREMIUM SHALL BE ADJUSTED PRO RATA UPON REDUCTION OR TERMINATION.

Signed and dated this _____ day of _____, 20_____

Individual/Sole Proprietorship Name: _____ SSN: _____

Witness By: _____ (Seal)
Partnership/Limited Partnership Name: _____ FEIN: _____, Individually and as a Proprietor

Witness By: _____ (Seal)
_____, Individually and as Partner

Witness By: _____ (Seal)
_____, Individually and as Partner

Corporation Name: _____ FEIN: _____

Attest: _____, Secretary By: _____ (Seal)
_____, President

Corporation Name: _____ FEIN: _____

Attest: _____, Secretary By: _____ (Seal)
_____, President

Individual and Supporting Indemnitor(s) sign here: _____ Witness' signatures: _____

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