

DEPARTMENT OF MOTOR VEHICLES
Agency of Transportation

120 State Street
Montpelier, Vermont 05603-0001
dmv.vermont.gov

- 1) Motor Vehicle/Vessel Title Bond form (TA-VT-20) is to be completed by your insurance company. Both sides of the form must be completed.
- 2) You must make every reasonable attempt to obtain the previous title issued to the vehicle/vessel. If you show by letters from the issuing state that the title is not available and a duplicate cannot be obtained, the department will consider an application for title on bond.
- 3) The value of the bond must be one and one half times the NADA average trade-in value of the vehicle/vessel being bonded.
- 4) If the completed bond form contains any erasures, alterations or whiteouts it will be rejected.
- 5) The bond form (with both sides completed) must be returned to the Department of Motor Vehicle with the following documents:
 - a. Vermont Registration, Tax and Title form completed, including section #7, visual verification of vehicle/vessel identification number or Vermont Tax and Title only form TAVT28.
 - b. any title documentation such as: bill of sale, old registration certificates or the title itself.
 - c. fees due for registration, tax and title.
- 6.) The completed bond form, along with your reason for needing a bond will be reviewed by the department. If your request is rejected, you will be notified in writing as to the reason the bond was found to be unacceptable.

Sections 2020 & 3813 of Title 23, Vermont Statutes Annotated read as follows:

"Withholding of Certificate; bond required

(2) As a condition of issuing a certificate of title, require the applicant to file with the commissioner a bond in the form prescribed by the commissioner and executed by the applicant, and either accompanied by the deposit of cash with the commissioner or also executed by a person authorized to conduct a surety business in this state. The bond shall be in an amount equal to one and one half times the value of the vehicle/vessel as determined by the commissioner and conditioned to indemnify any prior owner and lien holder and any subsequent purchaser of the vehicle/vessel or person acquiring any security interest in it. and their respective successors in interest, against any expense, loss or damage, including reasonable attorneys fees, by reason of the issuance of the certificate of title of the vehicle/vessel or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle/vessel. Any such interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond, and any deposit accompanying it, shall be returned at the end of three years or prior thereto if the vehicle/vessel is no longer registered in this state and the currently valid certificate of title is surrendered to the commissioner, unless the commissioner has been notified of the pendency of an action to recover on the bond."