



Rental Company Bond to the State of Vermont

DEPARTMENT OF MOTOR VEHICLES
Agency of Transportation
dmv.vermont.gov

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Montpelier, Vermont 05603-0001
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TDD 711

BOND NO. _____

This agreement is entered between _____, as principal, and
_____, as Surety.

The principal has applied to the Commissioner of Vermont Department of Motor Vehicles (DMV) for a license to engage in business as a Rental Company, beginning on _____. If the Commissioner of DMV grants this application, the Principal agrees to render all reports and pay all taxes, penalties, and fines provided in Title 32 Chapter 219 of Vermont Statutes Annotated.

If the principal fails to render any report or pay tax, penalty, or fines required under Title 32 Chapter 219 of Vermont Statutes Annotated, as amended from time to time, the Principal and Surety jointly and separately bind themselves, their heirs, executors, administrators and successors to pay to the State of Vermont and/or the Commissioner of DMV up to the amount of \$_____ for each year, or fraction thereof, that this agreement remains in effect.

All obligations under this agreement shall commence when the agreement is signed by the Principal and Surety and shall cease at midnight on December 31, 20____, except as to any liability that has accrued to that time.

Dated this _____ day of _____, 20____ at _____,
County of _____ and State of _____.

WITNESS PRINCIPAL (SEAL)

By: _____

Dated this _____ day of _____, 20____ at _____,
County of _____

WITNESS SURETY

By: _____
ATTORNEY-IN-FACT (SEAL)

BOND REQUIREMENTS

Rental companies must submit a surety bond with their Rental Company License Application when their yearly tax liability exceeds \$5,000.00. New Rental Companies will be required to submit a surety bond of \$1,000.00 with their original application. The bond MUST contain all applicable signatures. Erasures will automatically void the bond.

The amount of the surety bond will be reviewed annually. The bond amount will be determined by using the total of the two highest months of liability in the preceding year, but in no case shall it exceed \$400,000.00. The bond amount shall be increased whenever the Commissioner deems it necessary to protect the state's revenues.

If required, Rental Companies must submit a current bond application annually. In place of a bond, Letters of Credit will be accepted and must be accompanied by a current financial statement.