



Rental Company Bond to State of Vermont

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

120 State Street
Montpelier, Vermont 05603-0001
Voice 802.828.2070
Fax 802.828.3577
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 are required to 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. Bond MUST contain the raised corporate seal and all signatures applicable. Erasures on the bond are not allowed; it 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 amount of the bond shall be increased whenever the Commissioner deems it necessary to protect the revenues of the state.

If required, Rental Companies must submit a current bond application on an annual basis. In lieu of a bond, Letters of Credit will be accepted and must be accompanied with a current financial statement.