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Goldleaf - Motor Vehicle Dealer Bonds

One of Goldleaf Surety's partner surety companies is featuring Motor Vehicle Bonds this quarter and has put together a very good information sheet for their agency partners. We would like to share some of this information regarding motor vehicle bonds with you.

Almost every state requires a surety bond as part of the licensing process for motor vehicle dealers. These bonds guarantee a licensed motor vehicle dealership will comply with state regulations and are required to protect consumers from fraud and other wrongful actions of dealerships and their employees. The bonds exact protection will depend on state and/or local laws.

Motorcycle dealers, mobile home dealers, car dealers, and others can all be included under the motor vehicle dealer bond requirements. Some states also have different requirements for new versus used vehicle dealers.

The dollar amount of the bond required also varies by state. Bond amounts can range from $10,000 up to $300,000. Most states have a set limit, but some have variable limits depending on how many vehicles a dealer sells.

All motor vehicle dealer bonds work in the same basic way. If a bonded motor vehicle dealer breaks the bond's terms, the damaged party (i.e. customer, bank, or government agency) can make a claim against the bond for compensation. The surety will pay out the claim if warranted, but the dealer is responsible for paying back the surety in full.

Goldleaf's experience staff of account specialists can assist you with obtaining a Motor Vehicle Dealer Bond, or any other type of bond you may need.

For Contract bonds, License and Permit bonds, Court and Fidelity Bonds, Large Commercial Bonds, Technology and Software Bonds, and Private Equity Ownership Bonds, log in to www.bigimarkets.com or email bigimarkets@iiaba.net and an underwriter will contact you.

The product and eligibility may have been revised or discontinued since the original article was written. Review the Information page for each product on Big "I" Markets for current content and instructions.

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