



# 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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**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**

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.