

TYPE OF BOND _____ **BOND #** _____

KNOW ALL MEN BY THESE PRESENTS:

That we _____
of _____ South Dakota, as

Principal, and _____ a Corporation, as **Surety**,
are held and firmly bound unto the Department of Revenue and Regulation, of the State of South Dakota, for
the benefit of any purchaser or holder of a lien noted on the certificate of title, in the penal sum of

_____ thousand dollars (\$)) for the payment of which, well and truly to
be made, we bind ourselves and our legal representatives jointly and severally by these presents.

The condition of this obligation is such that if the above-named Principal shall during the
license period beginning on the _____ day of _____, 20____, and each licensed year thereafter until
this bond is canceled as provided herein, pay all loss, damages and expense that are occasioned by reason of the
failure of any title or any motor vehicle or by reason of any fraudulent misrepresentation or breach of warranty
as to freedom of liens of any motor vehicle then this obligation to be void, otherwise to remain in full force and
effect. This bond shall operate as a new bond for each license year it is in effect.

This bond may be canceled by the surety company as to future liability by giving written notice to the
Department of Revenue and Regulation, 445 East Capitol Avenue, Pierre, South Dakota 57501, and to the
Principal addressed to him at the municipality named herein and thirty (30) days after the mailing of said notice
this bond shall be null and void as to any liability thereafter arising, the surety remains liable, however, subject
to all the terms and conditions of this bond for any and all acts covered by this bond up to the date of
cancellation.

Dated this _____ day of _____ 20 _____.

Witness to Principal

Signature of Principal

Witness to Principal

Signature of Principal

Bonding Company Name

Signature of Authorized Agent

Bonding Company Address

Bonding Company Phone #

32-6B-7. Bond required--Amount--Term--Continuation certificate--Notification of payment or cancellation--
Additional bond. Before any license is issued, the applicant shall deliver to the department a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in the state as surety. The bond shall be for an amount based upon the type of license applied for, as follows:

- (1) Vehicle dealer's license --\$25,000;
- (2) Used vehicle dealer's license --\$25,000;
- (3) Motorcycle dealer's license --\$5,000;
- (4) Trailer dealer's license --\$10,000 for trailers weighing 2,000 pounds or more; or
- (5) Emergency vehicle dealer's license --\$10,000.

The bond shall be to the department and in favor of any customer who suffers any loss that may be occasioned by reason of the failure of title or by reason of any fraudulent misrepresentation or breaches of warranty as to freedom from liens. The bond shall be for the license period, and a new bond or a proper continuation certificate shall be delivered to the department at the beginning of each license period. Any surety company that pays a claim against the bond of a licensee shall notify the department, in writing, that it has paid such a claim. Any surety company that cancels the bond of a licensee shall notify the department, in writing, of the cancellation, giving the reason for that cancellation. If a claim is made to the department against the bond, which claim is based upon a final judgment of a court of record of this state, the dealer shall execute an additional bond for the amount necessary to maintain the security at the original level.

Source: SL 1986, ch 250, § 8; SL 1989, ch 256, § 3; SL 1998, ch 175, § 4; SL 2004, ch 207, § 1.

Bond form

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