



PUBLIC AUTOMOBILE AUCTION BOND

BOND NO. _____

SURETY BOND

That we _____ (auction) as Principal and _____, a surety company with a certificate of authority to transact insurance business in the State of Tennessee, as surety are held and firmly bound unto the duly appointed and qualified Director of Tennessee Auctioneer Commission, and the successors in office of said Director, in the penal sum of Fifty Thousand Dollars (\$50,000) for the payment whereof well and truly to be made, we do hereby jointly and severally bind ourselves, our heirs, legal representatives, successors and assigns, firmly by these presents: Signed and Sealed this _____ day of _____, 20_____.

The condition of the above obligation is such that:

WHEREAS, the above named principal has made to the obligee hereunder application for a license, pursuant to Tennessee Code Annotated 62-19-102, to engage in the business of buying, auctioning, selling, or offering or displaying motor vehicles for sale, as defined by the said law, and

WHEREAS, the above named principal is required as a condition precedent to this appointment as such auction to deliver annually to the obligee hereto a good and sufficient surety bond for the license period for protection of any person who suffers loss because of either: A) Nonpayment by the auction dealer of a retail customer's prepaid title, registration or other related fees or taxes. B) The auction dealer's failure to deliver in conjunction with the sale of a vehicle a valid vehicle title certificate free and clear of any prior owner's interests and all liens except a lien created by or expressly assumed in writing by the buyer of the vehicle.

NOW THEREFORE, the condition of this obligation is such that if the principal shall faithfully perform his duties in conformity with the provisions of Chapter 724 Public Acts of 2008, State of Tennessee, then this obligation shall be considered void; otherwise to remain in full force and effect.

This Bond becomes effective as of _____, 20__ and expires _____, 20__ in support of a Tennessee Public Auction license issued for the term ending _____, 20__. This Bond may be continued by certificate for subsequent periods in support of the Tennessee Public Auction license so issued.

Provided, however that the aggregate liability of the surety hereunder shall in no event exceed the sum of the bond, regardless of the number of years continued.

Provided, further, however that the surety shall have the right to terminate its liability hereunder whether by cancelation during term or nonrenewal by serving written notices of its election so to do, by United States certified mail, upon the obligee and upon the principal, and thereupon the surety shall be discharged from any liability hereunder for any default of the principal, after the expiration of sixty days from and after service of such notice, but said release shall not discharge or otherwise affect any claim thereto before or thereafter filed by a person for loss or damage resulting from any act or practice which is a violation of Chapter 724, Public Acts of 2008, alleged to have occurred while said bond was in effect, nor for a public automobile auctioneer ceasing operations during the term for which said bond was in force.

Witness our hands and official seals _____ day of _____, 20_____.

NAME OF PUBLIC AUCTION DEALER

NAME OF SURETY

SIGNATURE OF PRINCIPAL (SEAL)

ADDRESS OF SURETY

NAME OF SURETY AGENT

EXECUTIVE DIRECTOR
TENNESSEE AUCTIONEER COMMISSION

SIGNATURE OF SURETY AGENT (SEAL)

DATE

ADDRESS OF SURETY AGENT

NOTE: POWER OF ATTORNEY MUST BE ATTACHED