

DRIVER EDUCATION PROVIDER SURETY BOND

Check the appropriate bond amount.

Teen/Adult Driver Education Provider with:
999 or fewer students (calendar year) - \$20,000
1000 or more students (calendar year) - \$40,000

Truck Driver Education Provider - \$50,000

KNOW ALL PERSONS BY THESE PRESENTS, that

BOND NUMBER _____

as principal, whose place(s) of business is/are located at the address(es) set forth above, and _____ as surety are held and firmly bound unto the protection of contractual rights of students in the conduct of giving instruction for hire in the driving of motor vehicles by the named principal in the total penal sum of _____, lawful money of the United States of America, for which sum well and truly to be paid, said principal and surety bind themselves, their heirs, executors, administrators, and assigns, jointly and severally, and each of them.

WHEREAS, the above named principal is applying to the Department of State of Michigan to be certified as a driver education provider under Section 9 of Act 384 of the Public Acts of 2006.

AND WHEREAS, the above named principal is required by Section 9 of Act 384 of the Public Acts of 2006, to submit a properly executed surety bond, conditioned as set forth below, with said application for a driver education provider certificate.

AND WHEREAS, the above named surety is a company authorized to do business in this state.

AND WHEREAS, the surety shall notify the Department of State of Michigan of any payment of claim under this bond.

NOW THEREFORE, the condition of this obligation is such that the principal and surety shall indemnify or reimburse any student, financing agency, or governmental agency for monetary loss caused through fraud, cheating, or misrepresentation in the conduct of the driver education provider's business where the fraud, cheating, or misrepresentation was made by the provider or by an employee, agent, instructor, or salesperson of the provider and for the protection of student's contractual rights.

It is further understood and agreed that coverage is provided and extended without notification to the surety for any change of officers if the principal is a corporation; for any additional location or changes of address within the State of Michigan for which the certificate is issued; or for any substitution of business name wherein ownership is not changed.

Provided further, that the aggregate liability of the surety for all such reimbursements of any students for the protection for their contractual rights shall, in no event exceed the sum of this bond.

COVERAGE HEREUNDER shall be effective as of 12:01 A.M. _____ and shall remain in effect continuously, provided, however, that the said surety may cancel the bond upon giving 30 days written or electronic notice to the Department of State and thereafter shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

Signed, sealed and dated this _____ **day of** _____, **20**_____.

Important: ALL signatures are required.

(Signature of Witness to Principal)

(Print or Type Name of Witness to Principal Signature)

(Signature of Witness to Attorney-in-Fact)

(Print or Type Name of Witness to Attorney-in-Fact)

Signature of Principal or Authorized Agent of Principal)

(Print or Type Name and Title of Person Signing for Principal)

(Name of Surety Company)

(Signature of Attorney-in-Fact)

(Print or Type Name of Attorney-in-Fact)

Michigan Department of State

Surety Bond

**NOTE: EDUCATIONAL INSTITUTIONS AND GOVERNMENTAL AGENCIES
ARE NOT REQUIRED TO PROVIDE SURETY BONDS.**

Instructions

1. Every applicant for driver education provider certification must file with such application a properly executed surety bond in the appropriate amount.
2. The Secretary of State has prescribed a standard form of bond which is set forth on the **reverse side hereof**. This bond must be executed by the principal and surety and filed with the Department of State at the time of filing application for a driver education provider certificate. An application for a driver education provider certificate will not be acted upon until the application, bond, student contract forms, and all other required documents are filed and the appropriate fees are paid to the Department of State.
3. Each applicant, whether an individual, corporation, or partnership, must be named in the bond as principal. In the case of an individual owner, the individual's name, as well as the name under which he/she is doing business, must be listed. In the case of **partnerships**, each individual partner, as well as the name of the partnership itself, must be listed. In the case of a **corporation**, the corporation must be listed. The location of the business must also be listed.
4. This is a continuous surety bond, the effective date of which may be the date of execution or a later date; however, the bond must be effective at the date of filing of an application for a driver education provider certificate even though the certification may not be issued until a subsequent date.
5. A surety company authorized to do business in Michigan must execute the bond. An agent of the company licensed to do business in Michigan must execute every bond. If the agent is a licensed non-resident agent, a licensed resident agent must also countersign the bond.
6. Said surety may cancel the bond upon giving 30 days written notice to the Department of State.
7. The company shall authorize the attorney-in-fact who signs for the surety company. A certified copy of the appointment as attorney-in-fact must be attached to the surety bond, or a continuing copy of the appointment as attorney-in-fact shall be on file with the Department of State.
8. The affidavit of the power of attorney must be executed on the same date as the bond, or subsequent to the date of the bond, but not before.
9. A driver education provider is only authorized to conduct business if a proper surety bond is in effect. Surety companies must notify the Department of State of the payment of any claims under this bond.

RETURN COMPLETED FORM TO: Michigan Department of State
Licensing Unit
Lansing, MI 48918