

Bond

TRANSIENT MERCHANT

KNOW ALL MEN BY THESE PRESENTS, that _____ of the City of _____, County of _____, and State of _____, as PRINCIPAL, and _____, a corporation organized under the laws of the State of _____ which is authorized to engage in business in the State of North Dakota, as SURETY, are indebted to the STATE OF NORTH DAKOTA in the penal sum of _____ (\$_____), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, legal representatives, successors and assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above named Principal has applied or intends to apply for a license as a Transient Merchant pursuant to chapter 51-04 of the North Dakota Century Code and is required under the provisions of Chapter 51-04 to furnish a bond conditioned as herein set forth:

NOW THEREFORE, the Principal, his agents and employees shall:

- 1) Honestly and faithfully conduct the business of said Principal under Chapter 51-04 of the North Dakota Century Code and all rules and regulations promulgated in pursuance thereof;
- 2) Comply with all material oral or written statements and representations made by the Principal, his agents, representatives, or auctioneers with reference to merchandise sold, or offered for sale, and;
- 3) Faithfully perform under all warranties made with reference to merchandise sold, or offered for sale.

then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

NOW THEREFORE, the Surety does, by these presents, undertake and agree that the obligation of this bond shall cover and extend to liability of the Principal effective _____ and shall continue in full force and effect until it is terminated or canceled, as provided herein.

The Parties further agree that:

Continuing Obligation: This bond is a continuing obligation and shall cover the full period or periods of licensing of the Principal including the present and all renewal licenses which said Principal may be granted; provided, that it is hereby expressly agreed that nothing contained herein shall be deemed or construed to reduce the liability of the Principal and Surety below the penal sum set forth above for each and every licensing period for which the named Principal shall be licensed, the same as if a new bond in the said penal sum were entered into for each and every separate period.

Duration of Bond: Bond shall not be revocable nor terminate prior to two (2) years' time after the expiration of the license issued unless the Surety cancels this bond, as provided herein.

Termination: The Surety may cancel this bond and terminate its obligation hereunder at any time by giving thirty (30) days written notice by registered mail to the Principal and the Attorney General of the State of North Dakota. If the bond is terminated, the Surety shall remain liable under the provisions of this bond for any liability already accrued under this bond or which shall accrue before the expiration of the thirty day notice period.

Beneficiaries: This bond is for the benefit of the State of North Dakota and any and all persons suffering damages by reason of Principal's failure to comply with North Dakota Statutes or other legal obligations arising out of Principal's conduct as a Transient Merchant.

Right to Bring Action: If the Principal violates Chapter 51-04 of the North Dakota Century Code or other legal obligations arising out of its conduct as a Transient Merchant, the State of North Dakota, as well as any person damaged as a result of such violation shall have, in addition to all other legal remedies, a right of action upon this bond for loss sustained by the injured party in any court having jurisdiction of the amount claimed for the recovery of any loss sustained.

Aggregate Liability: Regardless of the number of claimants, the amount of the claims, or the number of years the bond remains in effect, the aggregate liability of the Surety on this bond shall be limited to the payment of the penal sum set forth above.

Notice: In the event either the Principal and/or the Surety under this bond are served with notice of any action commenced or notice of intent to file an action or claim against said Principal or Surety under the bond, said Principal and Surety shall, respectively, and within ten (10) days, give written notice of the filing of such action or of the intent to file an action or claim, as well as give written notice within ten (10) days of the final disposition of such action or claim to, the following address:

Consumer Protection & Antitrust Division
Office of Attorney General
Gateway Professional Center
1050 East Interstate Ave. Ste. 200
Bismarck, ND 58503-5574

Modification: The Principal and the Surety agree that they shall not amend, modify or vary any term of this bond without prior written consent of the Attorney General of the State of North Dakota.

Warranties: The Surety hereby represents and warrants that it is in full compliance with the provisions of the laws of the State of North Dakota.

NOTE:

- 1) If Principal is a corporation, a resolution of Board of Directors of Principal authorizing execution of the bond must be attached. (SAMPLE RESOLUTION ATTACHED.)

- 2) Valid power of attorney from the Surety must be attached.
- 3) The Principal must furnish the Attorney General of the State of North Dakota with the name and address of its resident agent that shall accept service of process on behalf of the Principal.

IN WITNESS WHEREOF, we have hereunto set our hands and seals, this ___ day of _____, 20__.

Principal

By: _____
Name and Title

Surety

By: _____
Authorized Agent

Address

APPROVAL

Approved as to form this ___ day of _____, 20__.

Wayne Stenehjem
Attorney General

By: _____
Assistant Attorney General

FORM B

STATE OF _____)
)ss
COUNTY OF _____)

On this _____ day of _____ 20____, before me, the undersigned, a notary public in and for said county and state, personally appeared _____ and _____ known to me to be the _____ and _____ respectively, of the corporation that is described in and that executed the within instrument as surety, and they acknowledge to me that such corporation executed the same;

-or-

personally appeared _____ known to me to be the person who is described in and whose name is subscribed to the within instrument as the attorney in fact of _____ and he acknowledged to me that he subscribed the name of _____ thereto as surety, and his own name as attorney in fact.

(SEAL)

Notary Public

My commission expires: _____

RESOLUTION

RESOLVED, that _____, the
_____ of the
corporation is hereby authorized and directed to deliver to the
State of North Dakota for and on behalf of the corporation a
Transient Merchant Bond in the amount of \$_____.

I, _____, secretary of _____,
a corporation incorporated under the laws of the state of _____,
hereby certify that the foregoing is a full, true and correct copy of a resolution of the board of
directors of the corporation duly and regularly adopted by the corporation as required by law
and the bylaws of the corporation.

IN WITNESS WHEREOF, I have set my hand as such secretary, and affixed the seal of the
corporation (if any), on _____, 20_____.

Secretary