



*Alabama Department
of Revenue*



Motor Vehicle Division

The
Association of Alabama
Tax Administrators
2015 Mid-Winter Conference
February 8 – 11, 2015



Administrative Rule Updates

- 810-5-75-.34 Title Obtained Under Surety Bond – Effective December 4, 2014,

The amended rule provides that surety bond form MVT 10-1 may be used to obtain a certificate of title for a motor vehicle or manufactured home. The applicant(s) shall complete an electronic request for an Alabama certificate of title under surety bond (form MVT 10-1A). The rule also indemnifies any prior or subsequent owner and lienholder against any expense or loss by reason of a defect or undisclosed security interest in the vehicle for a period of three (3) years.





Administrative Rule Updates

- 810-5-75-.52 Designated Agent Appointments – Effective December 1, 2014.

The rule provides that certain entities must provide a surety bond in order to become designated agents of the department. The rule is being amended in accordance with the provisions of Act 2014-158.

The ten thousand dollar (\$10,000) designated agent bond has been eliminated and is replaced with a twenty-five thousand dollar (\$25,000) bond which covers **both** the requirements for the designated agent and dealer license bonds.





Administrative Rule Updates

- **810-5-75-.31 Transfer Of Title For Vehicle Under The Abandoned Motor Vehicle Act – Effective February 27, 2015**

This rule removes out dated language and further clarifies the procedures for obtaining a certificate of title pursuant to Chapter 13, Title 32, Code of Alabama 1975.

Major change is the rule allows the department to accept electronic delivery notification receipts, and a electronic return receipts.





Administrative Rule Updates

- 810-5-75-.31.02 Abandoned Motor Vehicle Record Request Effective October 1, 2014

Rule is being amended to allow an authorized representative of a person or firm in possession of an abandoned motor vehicle to provide written notice to the current owner, secured parties and lienholder regarding the planned sale of the vehicle. The rule is also being amended to allow an Abandoned Motor Vehicle Record Request (MVT 32-13) to be submitted electronically through a service provider authorized by the department to provide motor vehicle records for this purpose.



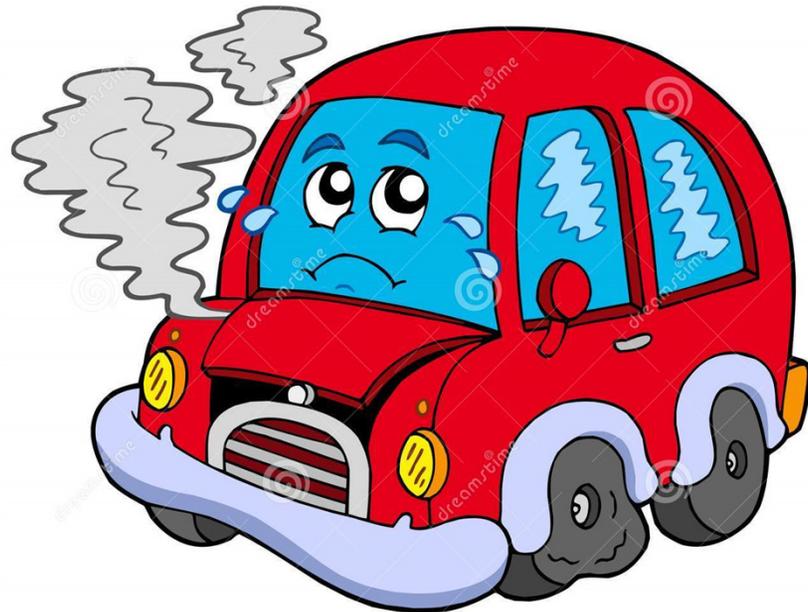


Alabama Department
of Revenue



Motor Vehicle Division

Abandoned Motor Vehicle Updates





Abandoned Motor Vehicle Updates

- The Abandoned Motor Bill of Sale, Form 32-13B (9/10/14), has been updated to require signatures and printed names of **both** the buyer and seller of an abandoned motor vehicle. The previous form only required the signature and printed name of the seller.

The updated form can be accessed from the MVD web page:

<http://revenue.alabama.gov/motorvehicle/mvforms/mvt3213B.pdf>



Abandoned Motor Vehicle Changes



ALABAMA DEPARTMENT OF REVENUE
MOTOR VEHICLE DIVISION

Abandoned Motor Vehicle Bill of Sale

This form may only be used to transfer ownership of an abandoned motor vehicle sold pursuant to Title 32, Chapter 13, Code of Alabama 1975

MVT 32-13B
(09/10/14)

Abandoned Motor Vehicle Bill of Sale
MVT32-13B (09/10/14)

COMPLETE VEHICLE DESCRIPTION:

VIN: * _____
Year: _____ Make: _____ Model: _____
Date Abandoned**: _____ Date of Sale: _____ Location of Sale: _____

Dates on which the notice of sale was published as required by Section 32-13-4, Code of Alabama 1975:
Name of Newspaper/Courthouse Posting: _____
Date of 1st Publication/Courthouse Posting: _____ (must be at least thirty (30) days prior to date of sale)
Date of 2nd Publication/Courthouse Posting: _____ (must be one (1) week from date of 1st publication)

CHECK ONE OF THE FOLLOWING:

- Attached is the original Form MVT 32-13R, Abandoned Motor Vehicle Record Request Response, obtained from the Department of Revenue identifying the current owner(s), registrant(s), secured party (parties), or lienholder(s) of record of the abandoned motor vehicle and the certified mail return receipts proving that notice was given or attempted to be given at least thirty (30) days prior as required by Section 32-13-4, Code of Alabama 1975.
Certified mail was sent to the **owner of record** on the following DATE: _____
Certified mail was sent to the **Registrant(s) of Record (if any)** on the following DATE: _____
Certified mail was sent to the **Secured Party (Parties) or Lienholder(s) of Record** on the following DATE: _____
- Attached is the original Form MVT 32-13R, Abandoned Motor Vehicle Record Request Response, obtained from the Department of Revenue indicating that the department has no record of the current owners, registrants, secured parties, or lienholders of record for the abandoned motor vehicle. By signature below, seller attests that notice was given or attempted to be given as required by Section 32-13-4, Code of Alabama 1975.

INFORMATION ON NET PROCEEDS OF SALE OF ABANDONED MOTOR VEHICLE:

- 1 Sale Price of Abandoned Motor Vehicle \$ _____
- 2 Amount of Repair \$ _____
- 3 Towing Expenses \$ _____
- 4 Storage Expenses \$ _____
- 5 Other \$ _____
- 6 Total Amount Deducted from Sale Price (total lines 2 through 5) \$ _____
- 7 Net Sale Balance (line 1 minus line 6 - If zero or less, enter -0-) (This amount shall be paid to the county licensing official for deposit into the county general fund and a copy of the receipt of such funds must accompany this form.) \$ _____

Buyer's Printed Name: _____ Buyer's Signature _____

Buyer's Address: _____

The seller hereby affirms that this vehicle was sold to the buyer listed above as an abandoned motor vehicle in accordance with the provisions of Title 32, Chapter 13, Code of Alabama 1975. The seller also hereby affirms that the above information is true and correct and the seller is aware that a false statement made on this document, with intent to defraud, is a criminal offense under the Alabama Uniform Certificate of Title and Antitheft Law as codified in Title 32, Chapter 8, Code of Alabama 1975.

Seller's Signature: _____ Seller's Name: _____

Seller's Address: _____

*All VINs for 1981 and subsequent year model vehicles that conform to federal anti-theft standards are required to have 17 digits/characters.

**See reverse side of form. Alterations or illegible information void this form.

Revised Abandoned Motor Vehicle Bill of Sale

Requires "Buyer's signature"



Abandoned Motor Vehicle Updates

- Administrative rule 810-5-75-.31 has been amended (*effective – February 27, 2015*) to allow sellers of abandoned motor vehicles to contract with service providers to identify and notify the current owners, registrants, and lienholders of the abandoned vehicle regarding the pending sale.
- The rule also provides that original certified mail return receipt forms or equivalent documentation as determined by the department evidencing that all parties (owners and lienholders) as disclosed on the original certified Abandoned Motor Vehicle Record Request Response (MVT 32-13R) were notified, or notification was attempted. This may include:
 - a. PS Form 3811, domestic return receipt, (Green Card) OR
 - b. Electronic certified mail receipt (*Reference License Plate Issuing Officials Memo 2015-2*)
 - i. PS Form 3877 **AND**
 - ii. DirectPost Delivery Detail/USPS Postal Confirmation **OR**
 - iii. Postal Confirmation/Detail Manifest



Abandoned Motor Vehicle Updates

PS Form 3811 – Domestic Return Receipt (Green Card)

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY | |
|--|--|---------------------|
| <ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits. | A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee | |
| 1. Article Addressed to: | B. Received by (<i>Printed Name</i>) | C. Date of Delivery |
| 2. Article Number <i>(Transfer from service label)</i> | D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No | |
| PS Form 3811, February 2004 | 3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. | |
| Domestic Return Receipt | 4. Restricted Delivery? (<i>Extra Fee</i>) <input type="checkbox"/> Yes | |
| 102595-02-M-1540 | | |



Abandoned Motor Vehicle Updates PS Form 3877

CERTIFIED MAIL FIRMBOOK - PS FORM 3877

MAILERS NAME: Auto Data Direct DATE PREPARED: 6/9/2014
 ADDRESS: 1379 Cross Creek Circle ACTUAL MAIL DATE: 6/9/2014
 Tallahassee, FL 32301-372 MANIFEST ID NO.: 7006400813000032400
 USPS ENTRY POINT: LITTLE ROCK 722 CLASS/SUBCLASS OF MAIL: CERTIFIED MAIL
 POSTAL PERMIT: 012

| ARTICLE NUMBER | NAME AND ADDRESS | WEIGHT (POUNDS) | POSTAGE | CERTIFIED FEE | TOTAL CHARGES |
|----------------------------|--|-----------------|---------|---------------|---------------|
| 2207196900673019404320 | Sample Joe 2545 Taylor Rd Montgomery, AL 36117 | 0.022 | 0.48 | 3.3 | 3.78 |
| PAGE TOTALS PIECES: 1 | | 0.022 | 0.48 | 3.3 | 3.78 |

POSTMASTER, PER Charlene Lemley
(SIGNATURE OF POSTAL EMPLOYEE RECEIVING MAIL)

TOTAL PIECES RECEIVED: 2580

POST MARK

\\Cobraloa\production\Auto Direct\20140609103003\00N-CHDR201406090955.PDF

Article/Tracking number

PS Form 3877

Owner, registrant, lienholder name and address

Signature of postal employee

Date notice placed in mail



Abandoned Motor Vehicle Updates

DIRECTPOST DELIVERY DETAIL

| SENDER INFORMA | | Restricted Delivery? | Service Type |
|---|---|---|--|
| EZ TOWING & STORAGE 1234 KING RD BIRMINHAM AL 35222 | | (Extra Fee) <input type="checkbox"/> Yes | CERTIFIED |
| | | Article Number 9207 1969 0087 3017 5294 45 | ← Article/Tracking number |
| | | Electronic File Number 7509 6900 8730 0003 0716 | |
| DELIVERY INFORMATION | | | |
| A. Date of Delivery: 2014-05-03 C. CASS 10:48:00 | B. Mail Facility: MOBILE, AL Article 36606 | | ← Owner, registrant, lienholder name and address |
| R. Return/Retain Address: 2545 Taylor Rd | | Addressed To: Joe Sample 2545 Taylor Rd Montgomery, AL 36117 | |
| Delivery Address Line 1 | | | |
| Delivery Address Line 2 Montgomery, AL 36117 | | | |
| City | State | ZIP + 4 Code | |

← Sender's name and address

← Notification delivery date

USPS POSTAL CONFIRMATION

- 04/29/2014 02:38 PM TM - SHIPMENT ACCEPTANCE 72202
 - 04/29/2014 05:00 PM MA - ELECTRONIC SHIPPING INFO RECEIVED 72202
 - 04/29/2014 07:33 PM OA - ORIGIN ACCEPTANCE 72202
 - 04/29/2014 08:48 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 72231
 - 04/29/2014 08:58 PM EF - DEPART USPS SORT FACILITY 72231
 - 04/29/2014 09:37 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 72231
 - 04/30/2014 04:03 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 36606
 - 05/02/2014 11:33 PM EF - DEPART USPS SORT FACILITY 36606
 - 05/03/2014 10:48 AM 01 - DELIVERED 36606
- ← Detail tracking of Notification

The U.S. Postal Service has provided the data shown on this report. Additional information can be obtained by contacting your local post office.



Alabama Department
of Revenue



Motor Vehicle Division

Abandoned Motor Vehicle Updates

Postal Confirmation/Detail Manifest

Joe Sample
2545 Taylor Road
Montgomery, AL36117

9207 1969 0087 3019 4043 20

7509 6900 8730 0003 2406
2014-06-30
11:34:00
01 - DELIVERED
BIRMINGHAM,AL
35217

Non-delivery of
notification

The mail addressed to the above party was not delivered.

Reason: 01 - DELIVERED 35217

Please attach the returned certified mailer to this packet when submitting this information to the Tax Collector.

POSTAL CONFIRMATION / DETAIL MANIFEST:

06/09/2014 03:03 PM TM - SHIPMENT ACCEPTANCE 72202
06/09/2014 05:00 PM MA - ELECTRONIC SHIPPING INFO RECEIVED 72202
06/09/2014 06:19 PM OA - ORIGIN ACCEPTANCE 72202
06/09/2014 07:34 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 72231
06/09/2014 08:50 PM EF - DEPART USPS SORT FACILITY 72231
06/10/2014 05:13 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 35203
06/10/2014 09:24 PM EF - DEPART USPS SORT FACILITY 35203
06/11/2014 04:16 AM 10 - PROCESSED THROUGH USPS SORT FACILITY 35203
06/27/2014 11:36 AM 27 - UNCLAIMED 35071
06/29/2014 12:41 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 35203
06/29/2014 06:46 PM 10 - PROCESSED THROUGH USPS SORT FACILITY 35203
06/30/2014 01:59 AM 10 - PROCESSED THROUGH USPS SORT FACILITY 35203
06/30/2014 02:11 AM 10 - PROCESSED THROUGH USPS SORT FACILITY 35203
06/30/2014 08:27 AM 01 - DELIVERED 35217
06/30/2014 11:34 AM 01 - DELIVERED 35217

You may
Attach Mailer
Here.



*Alabama Department
of Revenue*



Motor Vehicle Division

Electronic Lien and Title ELT





ELT Authority

- *Section 32-8-4, Code of Alabama 1975:*

Delivery of certificate

The certificate of title shall be mailed to the first lienholder named in it or, if none, to the owner. If the certificate of title is issued electronically, the designated agent that processed the application, at the time of issuance, shall provide the owner with a printed copy of the electronic certificate of title record.

- *Section 32-8-64.2(b), Code of Alabama 1975:*

Release of Certain liens

The department may require that all lien releases shall be electronically submitted to the department within 10 days of the date that a lien or security interest in a motor vehicle is satisfied.



ELT Authority

- Section 32-8-68, Code of Alabama 1975

Recording and releasing security interest by electronic means

Notwithstanding any requirement in this chapter that a lien on a motor vehicle shall be noted on the face of the certificate of title, if there is one lien or more liens or encumbrances on the motor vehicle, the department may electronically transmit the lien to the first lienholder and notify the first lienholder of any additional liens. Subsequent lien satisfactions may be electronically transmitted to the department and shall include the name and address of the person satisfying the lien. If liens and lien releases are processed electronically and the last lien is satisfied, a title will be issued to the owner of the vehicle in a manner prescribed by the department. When a vehicle is subject to an electronic lien, the certificate of title for the vehicle shall be considered to be physically held by the lienholder for purposes of compliance with state or federal odometer disclosure requirements. A duly certified copy of the department's electronic record of the lien shall be admissible in any civil, criminal, or administrative proceeding in this state as evidence of the existence of the lien.



ELT - Benefits

Benefits Identified for the Electronic Lien and Title Application are:

- Improved data accuracy
- Improved timeliness of data exchange
- Elimination of paper forms
- Reduction of mailing costs
- Improved security over data and forms
- Reduction of office space requirements for files
- Reduction of printing costs
- Simplified procedures for lost documents



ELT – Phase I

- The initial phase will give a designated agent of the state the ability to select themselves as the loan company (if they are the loan company issuing the lien) and have the title be issued electronically. They will be able to release the title using information obtained from the title snapshot feature available to them in the current titling system, and the lien free title will be printed and mailed to the owner of the vehicle.
- The Department will notify financial institutions (banks, credit unions, pawnshops, etc.) that normally process applications to record liens on vehicles currently titled and Alabama. These financial institutions are required to be designated agents of the Department and use ETAPS to process lien recording.



ELT - Process

Edit Trusted Party

Date Information

| | | |
|---------------------|-------------------------|---------------------|
| Date Account Opened | License Expiration Date | Account Status Date |
| 1/16/2015 | 9/30/2015 | 1/16/2015 |

Contact Information

| | |
|---------------------------------|--------------|
| Name | Agent Number |
| Mickey Mouse Clubhouse | 88-88888-00 |
| Email | Phone |
| mickeymouseclubhouse@disney.com | 555-555-5555 |

Address Information

| | | |
|-------------------------|-------------------------|--------------|
| Physical Address Line 1 | Physical Address Line 2 | |
| 1 Clubhouse Lane | | |
| Physical City | Physical State | Physical Zip |
| Mouse | Alabama | 12345 |
| Mailing Address Line 1 | Mailing Address Line 2 | |
| | | |
| Mailing City | Mailing State | Mailing Zip |
| | | |

Account Identification

| | | | |
|---------------------|---|-----------------------------|-----------|
| Qualifier | Types | Tax Payer ID (SSN or FEIN): | SSN |
| Dealer | Retail Wholesale Rebuilder Reconditioner | | |
| Sales Tax ID Number | Principal Name | | FEIN |
| 55555555 | Mickey Mouse | | 123456789 |

Financial
Institutions



ELT - Process

License Information

Regulatory 539 Number

Section 62 Number

Section 169 Number

MH License Number

Rebuilder's License Number

Bank Account Information

Routing Number

Account Number

Account Type

Account Classification

Account Options

Inquiry Credit Card Only Enable Electronic Liens

Salvage County Official

Account Status

Account Status

Account Status Reason

Account History

| Creator | Date | Description | Reason |
|---------|-----------------------|-------------|--------|
| jamiet | 1/16/2015 11:15:57 AM | Active | |

Designate as Electronic
Lien Filer



ELT - Process

New Application

Title Application Prequalifier

| | |
|--|--|
| VIN | Alabama Title # |
| <input type="text" value="SFNRL38608B049141"/> | <input type="text" value="40097927"/> |
| Primary Supporting Document | DCN # |
| <input type="text" value="Alabama Title"/> | <input type="text"/> |
| Out of State Title Number | Change of Ownership <input type="radio"/> Yes <input checked="" type="radio"/> No |
| <input type="text"/> | Will there be a lien on the new application? <input checked="" type="radio"/> Yes <input type="radio"/> No |
| Out of State Title State | Does the current title have one or more of these brands? |
| <input type="text"/> | <input type="checkbox"/> Previous Salvage <input type="checkbox"/> Rebuilt <input type="checkbox"/> Flood Damage <input type="checkbox"/> None |
| Out of State Title Issue Date | Transaction Type |
| <input type="text"/> | <input type="radio"/> Replace Title <input type="radio"/> Corrected Title |
| | <input checked="" type="radio"/> Add Lien <input type="radio"/> Release Lien |

Prequalifier screen: enter VIN, current Alabama title number, with no change of ownership and add lien.



ELT - Process

New Application

Add Lien Application VIN: 5FNRL38608B049141

Vehicle/Title Parties Salvage Stolen Unrecovered Rebuilt Documents Admin History ADOR Reprint

Owner Name/Mailing Address

Owners Name (Last, First, Middle) Address City State Zip
 PARK GHI YEOL 218 PENNSYLVANIA AVE MADISON Alabama 35758

Owner/Operator Name/Physical Address

Operator Name (Last, First, Middle) Address City State Zip

Special Mailing Information

Authorization Name (Last, First, Middle) Address City State Zip

Seller Information

Seller Name (Last, First, Middle) Address City State Zip

License Type Dealer License Number Sales/Rental Tax #

Use Agent Current Alabama Title Owner

| | | Name | Address | City | State | Zip | Date - MM/DD/YYYY | |
|--------|--------|------------------------|------------------|-------|---------|-------|-------------------|--------|
| Update | Cancel | Mickey Mouse Clubhouse | 1 Clubhouse Lane | Mouse | Alabama | 12345 | 12/21/2008 | E Lien |

Add

Save and Print Cancel Print Preview



click for Electronic Lien



ELT - Process



E404584231

ALABAMA DEPARTMENT OF REVENUE, MOTOR VEHICLE DIVISION - TITLE SECTION P. O. Box 327666, Montgomery, AL 36132-7666
MVT 6-1E (REV 03/10) Application For Certificate Of Title

Application # E404584231 Application Date 01/20/2015 Trans Code 04 Legend Codes 71
Current AL Title # 40097927 Surrendering OOG Title - State Title # Enc AL

VEHICLE INFORMATION

VIN 5FNRL38608B049141 Year 2008 Make HOND Model () Body Type VA Cyls 6 Color BLU
Purchase Date 12/21/2008 # Liens 1 Odo. Reading 44 Miles Reading Type A - Actual New/Used NEW

OWNER INFORMATION (FELONY OFFENSE FOR FALSE ADDRESS) Alabama Operator (Lessee) If Different:

Name PARK GHI YEOL Name
Mailing Address 218 PENNSYLVANIA AVE Resident Address
City, State, Zip MADISON, AL 35758 City, State, Zip

Gross Selling Price: Trade In Allowance:

LIENHOLDER INFORMATION (FELONY OFFENSE FOR FAILURE TO NAME LIENHOLDER WITH INTENT TO DEFRAUD)
Alabama law requires that the certificate of title be mailed to the first lienholder.

| First Lienholder | Second Lienholder |
|---|------------------------------|
| Name <u>MICKEY MOUSE CLUBHOUSE</u> | Name <u> </u> |
| Mailing Address <u>1 CLUBHOUSE LANE</u> | Mailing Address <u> </u> |
| City, State, Zip <u>MOUSE, AL 12345</u> | City, State, Zip <u> </u> |
| Date of Lien <u>12/21/2008</u> | Date of Lien <u> </u> |

SIGNATURES (FELONY OFFENSE FOR FALSE STATEMENTS)

I, THE UNDERSIGNED, CERTIFY THAT THE VEHICLE DESCRIBED ABOVE IS OWNED BY ME AND I HEREBY MAKE APPLICATION FOR A CERTIFICATE OF TITLE FOR SAID MOTOR VEHICLE AND THIS VEHICLE WILL NOT BE THE SUBJECT OF LIEN PRIOR TO RECEIPT OF TITLE UNLESS INDICATED ABOVE. I FURTHER CERTIFY THAT ALL INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Owner Signature Date
Owner Signature Date

I HEREBY CERTIFY THAT THE ABOVE DESCRIBED VEHICLE HAS BEEN PHYSICALLY INSPECTED BY ME AS A DESIGNATED AGENT OF THE DEPARTMENT, AS REQUIRED BY LAW, AND THAT THE V.I.N. AND DESCRIPTIVE DATA SHOWN ON THIS APPLICATION ARE CORRECT. I FURTHER CERTIFY THAT I IDENTIFIED THE PERSON(S) SIGNING THE APPLICATION AND WITNESSED THE SIGNATURE(S).

Application, title and supporting documentation, if any, submitted to Department,



ELT - Process

Title Application Snapshot

Active Filters: VIN: 5FNRL38608B049141, Run Date/Time: 01/22/2015 13:24:43 PM

Search



Display 10 records/page. (*=All)

Page 1 of 1; Total Records: 1

| Title Number | Issue Date | Purchased Date | VIN | Vehicle Make | Vehicle Model | Vehicle Year | Owner Name | Owner Address | Lien Holder 1 | Lien Holder 2 | Mileage | Trans Code | Legend Codes | Is E-Title |
|--------------|------------|----------------|-------------------|--------------|---------------|--------------|---------------|---|---|---------------|---------|------------|--------------|------------|
| 48079002 | 01/20/2015 | 12/21/2008 | 5FNRL38608B049141 | HOND | ODYSSEY | 2008 | PARK GHI YEOL | 218 PENNSYLVANIA AVE, MADISON, AL 35758 | Mickey Mouse Clubhouse 1 Clubhouse Lane , Mouse, AL 12345 | | 44 | 04 | 71 | Yes |

Convert to paper

Lienholder may convert electronic title to paper title upon satisfaction of lien

Lienholder may check title snapshot screen to verify electronic title issued



Alabama Department
of Revenue



Motor Vehicle Division

Surety Bonds





What is a Title Surety Bond?

- A Title Surety Bond is guarantee of performance of a specific obligation or contract.
- A bond is issued by an insurance company and guarantees damages in the event that another individual claims ownership of the vehicle.
- A bond is similar to your personal auto insurance in that it is offering coverage in the event that a claim is made, except in the case of a bond, the coverage is for the certificate of title.





When is a Title Surety Bond necessary?

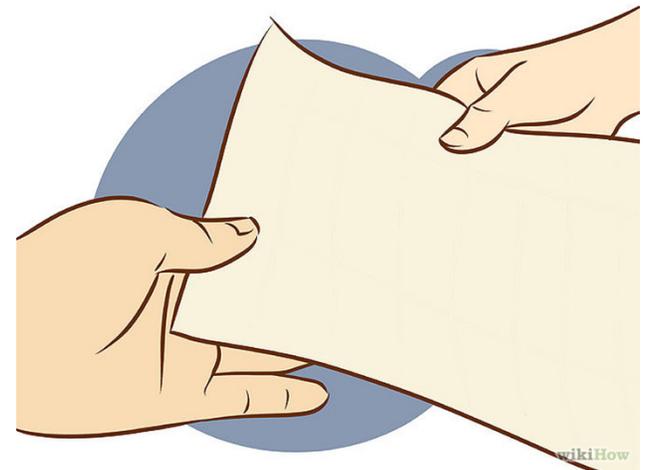
- The trail or “chain of ownership” is broken.
- The Department can not ascertain ownership of the vehicle.





Common Examples of when a bond is required:

- The vehicle was never titled.
- The owner never received a title.
- The previous owner did not title.
- An error occurred in the title assignment.





How much Bond Coverage will I need?

- How much coverage does Alabama require?
 - Alabama utilizes standardized bond amounts.
- Section 32-8-36 (3), Code of Alabama 1975, states, in part, “The department may establish uniform bond amounts for vehicles”.

Bond Amounts

The standardized amount of the surety bonds shall be as follows:

1. Trailers:

- a. Less than five (5) model years old – **\$25,000**
- b. Five (5) model years old but less than ten (10) model years old - **\$10,000**
- c. Ten (10) or more model years old – **\$5,000**

2. Passenger vehicles and pickup trucks:

- a. Less than five (5) model years old – **\$50,000**
- b. Five (5) model years old but less than ten (10) model years old – **\$25,000**
- c. Ten (10) or more model years old – **\$10,000**

3. Trucks, buses and recreational vehicles:

- a. Less than five (5) model years old – **\$100,000**
- b. Five (5) model years old but less than ten (10) model years old – **\$50,000**
- c. Ten (10) or more model years old – **\$25,000**

4. Motorcycles:

- a. Less than five (5) model years old – **\$25,000**
- b. Five (5) model years old but less than ten (10) model years old – **\$10,000**
- c. Ten (10) or more model years old – **\$5,000**

5. Manufactured homes *:

- a. Less than (10) model years old – **\$50,000**
- b. Ten (10) or more model years old – **\$25,000**



What are the requirements for a Title Bond in Alabama?

- ❖ Standard bond amounts for type and age of vehicle.
- ❖ Document to substantiate ownership. (bill of sale, registration or outstanding title). Required with the application (MVT 10-1A).
- ❖ State of Alabama Bond Form, (MVT 10-1).
- ❖ Vehicles branded as Salvage, Parts only, or Junk are not eligible for title surety bond.
- ❖ Bond Term of three (3) years.



An Overview of the Bond Process

- Simply stated, the bond process is a three (3) step process.
 1. Apply, on the surety bond portal, to receive a bond form, Form (MVT 10-1A).
 2. If (MVT 10-1A) is approved, A bond form (MVT 10-1) is sent to the applicant, via email.
 3. Take the bond form (signed/sealed by the insurance company) to a Designated Agent to apply for Certificate of Title with the bond as the primary supporting document.



Applying for a Bond. Form (MVT 10-1A)

* <http://revenue.alabama.gov/motorvehicle/forms>

The screenshot shows a web browser window displaying the MVTRIP Surety Bond Portal. The browser's address bar shows the URL <https://bonds.mvtrip.alabama.gov/>. The page features a teal sidebar with navigation links: Home, Apply, Check Status, Bond Amounts, Requirements, and Contact. The main content area is titled "Surety Bond Portal" and includes a sub-header "Surety Bond Portal" with a gavel icon. Below the title, a paragraph states: "This portal is used by facilities who mean to obtain a certificate of title for a motor vehicle by posting a surety bond in compliance with Section 32-8-36, Code of Alabama 1975." A prominent "Apply now" button is centered below this text. At the bottom of the main content area, there are three columns of information: "Requirements" (Before beginning your request to post a surety bond, make sure you have the required documents.), "Bond Amounts" (The standardized amount of surety bonds depends on your vehicle's body type and age.), and "Contact" (If further information is needed, contact the Alabama Department of Revenue.). Each column has a "Learn more >" button. The footer of the page reads "© 2014 - The Alabama Department of Revenue Motor Vehicle Division".

Apply

1 Bond Information

2 Vehicle Information

3 Party Information

← Prev Next →

✍️ Welcome to the Surety Bond Application Wizard.

To start, fill out some basic information

Check the boxes to indicate **yes** to the question.

Was the vehicle purchased as a body, parts, salvage or without an engine?

Is this a cash bond?

i The applicant, **not an insurance company**, will provide a deposit of the entire bond amount to be held for 3 years.

Reason for Bond

A previous owner never titled the vehicle (skip in chain of ownership)



Apply

1 Bond Information

2 Vehicle Information

3 Party Information

← Prev Next →

Step 2: Provide the vehicle information

VIN

1A2B3C4D5E6F7G8H9

Make

HONDA

Model

ACCORD

Date of Purchase

12/25/2014

Body Style

4 Door

Vehicle Year

2005

Number of
Cylinders

6

✔ There are 2 successful notifications:

- Your application was validated. Please follow the instructions below to begin the process.
- An email was sent with your Application Dashboard link.

Dashboard

Application Status  Submitted
VIN 1A2B3C4D5E6F7G8H9

Application ID wzrLw
Email donaldeduck@yahoo.com

Printable Documents



MVT 10-1A

Click the PDF image to view and print the MVT 10-1A. Follow the directions below.

Directions

To continue the process, complete the following directions.

1. The Alabama Department of Revenue acknowledges your request for information on obtaining a certificate of title for a motor vehicle or manufactured home by posting a surety application.
2. Print the MVT 10-1A.
3. Provide at least one of the following documents to substantiate ownership of the vehicle:
 - Bill of Sale with Vehicle Identification Number
 - Outstanding title or registration in name of applicant or assigned to applicant
4. Mail the MVT 10-1A and proof of ownership document to:
Motor Vehicle Division/Title Section
Surety Bond Unit
P O Box 327640
Montgomery, AL 36132-7640
5. You will be emailed with further directions after approval/rejection.
6. The amount of the application, if approved by the Department, will be the amount as specified by [rule 810-5-75-.34](#) and will be in effect for three years pursuant to Section 32-8-36, Code of Alabama 1975.

Print a copy of this page. Having your Application ID will allow for quicker access. To easily print, click [here](#).



ALABAMA DEPARTMENT OF REVENUE

MOTOR VEHICLE DIVISION

TITLE SECTION • SURETY BOND UNIT

P.O. Box 327640 • Montgomery, AL 36132-7640 • titles@revenue.alabama.gov

771

MVT 10-1A
4/12



The Alabama Department of Revenue acknowledges your request for information on obtaining a certificate of title for a motor vehicle by posting a surety bond. The amount of the bond, if approved by the Department, will be the amount as specified by rule 810-5-75-.34 and will be in effect for three years pursuant to Section 32-8-36, Code of Alabama 1975. You may post the entire bond in cash or pay an insurance company to underwrite the surety bond.

**The insurance company will charge a fee based on the amount of the bond.
This form is required for a motor vehicle title under bond.**

| | | | |
|---|-----------------|---------------------|----------------|
| VEHICLE IDENTIFICATION NUMBER (VIN)* 1A2B3C4D5E6F7G8H9 | | | YEAR 2005 |
| MAKE HONDA | MODEL accord | BODY TYPE 4 Door | CYLINDERS 6 |

Provide a *detailed* explanation as to why you are requesting a title under bond and what efforts were made to obtain a properly assigned valid certificate of title.

A previous owner never titled the vehicle (skip in chain of ownership)

Was the vehicle purchased as a body, parts, salvage or without an engine? No

Name of person vehicle purchased from: _____

Address: _____

City: _____ State: _____ Date of Purchase: 12/25/2014

Provide at least one of the following documents to substantiate ownership of the vehicle:

1. Bill of sale with vehicle identification number.
2. Outstanding title or registration in name of applicant or assigned to applicant.

Upon approval of this request, a partially completed surety bond and instruction sheet will be forwarded to you for completion.

Do you desire to post a cash bond instead of a surety bond? No

Name of owner: Duck Donald Edward

Address: 100 Any Street

City: Montgomery County: Montgomery State: AL Zip Code: 36117

Contact telephone number (weekdays 8 a.m.-5 p.m.): 334-256-1234

Mailing address if different: _____

Email address: donaldeduck@yahoo.com

I hereby certify that all information provided is true and correct to the best of my knowledge:
(Signature of Owner(s))



ALABAMA DEPARTMENT OF REVENUE
 MOTOR VEHICLE DIVISION
 P.O. Box 327610 • Montgomery, AL 36132-7610 • titlebonds@revenue.alabama.gov

MVT 10-1
 Rev. 7/2014



CERTIFICATE OF TITLE SURETY BOND NO.: [Redacted]

KNOWN ALL MEN BY THESE PRESENTS, THAT WE Donald Edward Duck

of STREET OR RFD 100 Any Street CITY: Montgomery
 COUNTY: Montgomery STATE: AL as Principal
 (hereinafter called Principal, and

[Redacted] of [Redacted]
 (Name of Surety) (State of Incorporation)

as Surety (hereinafter called Surety), are held and firmly bound unto the Commissioner of Revenue of the State of Alabama in the sum of Ten Thousand 00/100 Dollars (\$10,000.00), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executor, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has made application to the Department of Revenue of the State of Alabama for a certificate of title on that certain vehicle or manufactured home described as follows:

VIN 1: 1A2B3C4D5E6F7G8H9 VIN 2: _____ VIN 3: _____ VIN 4: _____

YEAR: 2005 MAKE: HONDA MODEL: accord BODY TYPE: 4 Door

CYLINDERS: 6 NEW/USED: _____ DATE OF PURCHASE: 12/25/2014

And under the provisions of Section 32-8-36 or Section 32-20-24 Code of Alabama 1975, the Department requires this bond before a certificate of title will be issued.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

If the aforesaid Principal shall indemnify any prior owner and lienholder and any subsequent purchaser of the vehicle or person acquiring any security interest in it, and their respective successors in interest, against any expense, loss or damage, including reasonable attorney's fees, by reason of the issuance of the certificate of title of the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle, then this obligation shall be void; otherwise, it shall remain in full force and effect.

PROVIDED, HOWEVER, that any interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond.

That said bond shall remain in full force and effect for a period of three (3) years after date of said bond or until the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered to the Commissioner of Revenue of the State of Alabama, unless, the Commissioner of Revenue of the State of Alabama has been notified of the pendency of an action to recover on the bond.

IN WITNESS WHEREOF, we hereunto set our names and seals on this [Redacted] day of [Redacted], [Redacted]
 (postdated bonds not acceptable)

[Redacted]
 (Surety)

[Redacted]
 (Agent of Surety Company) - Typed Name

[Redacted]
 (Agent of Surety Company) - Signature Refer to ITEM #3 on reverse side of

[Redacted]
 (State of Alabama, Commissioner of Revenue)

Donald Edward Duck
 (Principal) - Typed Name

[Redacted]
 (Principal) - Signature Refer to ITEM #1 on reverse side of form

[Redacted]
 (Principal) - Typed Name

[Redacted]
 (Principal) - Signature Refer to ITEM #2 on reverse side of form



ALABAMA DEPARTMENT OF REVENUE
MOTOR VEHICLE DIVISION

P.O. Box 327610 • Montgomery, AL 36132-7610 • titlebonds@revenue.alabama.gov

MVT 10-1
Rev. 7/2014



MVT 10-1

CERTIFICATE OF TITLE SURETY BOND NO.: 1234

KNOWN ALL MEN BY THESE PRESENTS, THAT WE Donald Edward Duck

of STREET OR RFD 100 Any Street CITY: Montgomery
COUNTY: Montgomery STATE: AL as Principal
(hereinafter called Principal, and

Employer's Mutual Casualty Company of IOWA
(Name of Surety) (State of Incorporation)

as Surety (hereinafter called Surety), are held and firmly bound unto the Commissioner of Revenue of the State of Alabama in the sum of Ten Thousand 00/100 Dollars (\$10,000.00), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executor, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has made application to the Department of Revenue of the State of Alabama for a certificate of title on that certain vehicle or manufactured home described as follows:

VIN 1: 1A2B3C4D5E6F7G8H9 VIN 2: _____ VIN 3: _____ VIN 4: _____
YEAR: 2005 MAKE: HONDA MODEL: accord BODY TYPE: 4 Door
CYLINDERS: 6 NEW/USED: _____ DATE OF PURCHASE: 12/25/2014

And under the provisions of Section 32-8-36 or Section 32-20-24 Code of Alabama 1975, the Department requires this bond before a certificate of title will be issued.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:
If the aforesaid Principal shall indemnify any prior owner and lienholder and any subsequent purchaser of the vehicle or person acquiring any security interest in it, and their respective successors in interest, against any expense, loss or damage, including reasonable attorney's fees, by reason of the issuance of the certificate of title of the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle, then this obligation shall be void; otherwise, it shall remain in full force and effect.

PROVIDED, HOWEVER, that any interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond.

That said bond shall remain in full force and effect for a period of three (3) years after date of said bond or until the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered to the Commissioner of Revenue of the State of Alabama, unless, the Commissioner of Revenue of the State of Alabama has been notified of the pendency of an action to recover on the bond.

IN WITNESS WHEREOF, we hereunto set our names and seals on this 19th day of December 2014.
(postdated bonds not acceptable)

Employer's Mutual Casualty Company
(Surety)

Joe D. Agent
(Agent of Surety Company) - Typed Name

Joe D Agent
(Agent of Surety Company) - Signature Refer to ITEM #3 on reverse side of

(State of Alabama, Commissioner of Revenue)



Donald Edward Duck
(Principal) - Typed Name

Donald E. Duck
(Principal) - Signature Refer to ITEM #1 on reverse side of form

(Principal) - Typed Name

(Principal) - Signature Refer to ITEM #2 on reverse side of form



THE FACE AND REVERSE OF THIS DOCUMENT HAVE A COLORED FLAG ON WHITE PAPER



P.O. Box 712 • Des Moines, IA 50306-0712

No. A97531

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CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

- | | |
|---|--|
| 1. Employers Mutual Casualty Company, an Iowa Corporation | 5. Dakota Fire Insurance Company, a North Dakota Corporation |
| 2. EMCASCO Insurance Company, an Iowa Corporation | 6. EMC Property & Casualty Company, an Iowa Corporation |
| 3. Union Insurance Company of Providence, an Iowa Corporation | 7. Hamilton Mutual Insurance Company, an Iowa Corporation |
| 4. Illinois EMCASCO Insurance Company, an Iowa Corporation | |

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint:
DAVID J. POUNDSTONE, LUKE ETHEREDGE, JULIE OAKES

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

In an amount not exceeding Seven Hundred Fifty Thousand Dollars.....\$ 750,000.00

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire AUGUST 1, 2016 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1990:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof; and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS THEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 25th day of MARCH, 2014.

Seals



Bruce G. Kelley

Bruce G. Kelley, Chairman
of Companies 2, 3, 4, 5 & 6; President
of Company 1; Vice Chairman and
CEO of Company 7

Michael Freel

Michael Freel
Assistant Vice President

On this 25th day of MARCH AD 2014 before me a Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Michael Freel, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Vice President/Assistant Secretary, respectively, of each of the Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Bruce G. Kelley and Michael Freel, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of each of the Companies.
My Commission Expires October 10, 2016.

Kathy Lynn Loveridge
Notary Public in and for the State of Iowa

CERTIFICATE

I, James D. Clough, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors of each of the Companies, and this Power of Attorney issued pursuant thereto on MARCH 25, 2014 on behalf of:
DAVID J. POUNDSTONE, LUKE ETHEREDGE, JULIE OAKES

are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 19th day of December, 2014

J. D. Clough

Vice President



Checklist for Designated Agents

- Ensure that bond is completed on a state bond form (MVT 10-1).
- Ensure that the (MVT 10-1) is complete:
 - ✓ The bond number is printed at the top of the bond.
 - ✓ The name of the Surety appears
 - ✓ The bond execution date is on the bond
 - ✓ The insurance company agent's name and signature appear
 - ✓ The Principal's (owner's) name and signature appear.
- Ensure that the Insurance Company provides a Power of Attorney with the bond. This is mandatory.
- Ensure that the bond effective date is not older than 90 days.
- Ensure that the bond effective date and the date of the Power of Attorney agree.



Alabama Department
of Revenue



Alabama title issued under surety bond.

Motor Vehicle Division

STATE OF ALABAMA
DEPARTMENT OF REVENUE

CERTIFICATE OF TITLE FOR A VEHICLE

| | | | |
|--|--|---|---------------------------|
| TITLE NO. 49762414 | VEHICLE IDENTIFICATION NUMBER 1FAFP5 [REDACTED] | TRANS. CODE 01 | DATE ISSUED 12/24/2014 |
| YR. MODEL 2003 | MAKE FORD | MODEL TAURUS | BODY TYPE 4D |
| CYL. NEW USED DEMO 6 XX | PURCHASE DATE 10/7/2014 | NO. LIEN 0 | COLOR WHI |
| NAME(S) AND MAILING ADDRESS OF OWNER(S): [REDACTED] BIRMINGHAM, AL 35208 | | MAIL TO [REDACTED] BIRMINGHAM, AL 35208 | |
| RESIDENT ADDRESS IF DIFFERENT | | | |

LEGEND(S)
THIS TITLE SECURED UNDER A THREE YEAR SURETY BOND/EXEMPT VEHICLE - ODOMETER READING NOT REQUIRED

RELEASE OF LIEN
The holder of Lien on the vehicle described in this Certificate does hereby state that the lien described in said Certificate of Title is released and discharged.

1ST LIENHOLDER'S NAME, ADDRESS AND LIEN DATE _____
By _____
Date _____

2ND LIENHOLDER'S NAME, ADDRESS AND LIEN DATE _____
By _____
Date _____

By _____
Date _____

By _____
Date _____

CONTROL NUMBER
35842698

KEEP IN A SAFE PLACE — ANY ALTERATION OR ERASURE VOIDS THIS TITLE

HOLD TO LIGHT TO VIEW WATERMARK



*Alabama Department
of Revenue*



Motor Vehicle Division

THANK YOU!