STATE OF NEBRASKA NEBRASKA MOTOR VEHICLE INDUSTRY LICENSING BOARD

301 CENTENNIAL MALL SOUTH PO BOX 94697 LINCOLN, NE 68509

FAX: 402-471-4563 https://mvdealerbd.nebraska.gov

Telephone: 402-471-2148

APPLICATION FOR DEALER LICENSE INSTRUCTIONS

All licenses are for calendar year only and expire December 31st of the year they are issued.

The license fee is NOT collected until AFTER the inspection and the dealership has been approved by our agency.

- **DEALERSHIP NAME:** Must reflect the nature of your business; i.e., "Jones Car Sales." The Dealership name cannot use the terms "discount," "wholesale," "for less," etc. Any questions about your dealership name, please contact this office.
- <u>LOCATION/ZONING</u>: Dealership location must conform to applicable zoning laws. A copy of the zoning permit with the dealership name and address or a letter from the zoning authority confirming that auto/trailer sales is a permitted use at the dealership location **must** accompany your application. The property must have one contiguous area to display ten or more motor vehicles, motorcycles or trailers.
- **PHOTOGRAPH OF SIGN/BUSINESS**: A photograph of the place of business and dealership sign must be submitted with the application. The name of the dealership must be in letters at least eight inches (8") in height on the sign and must match the dealership name that is on the application. The sign must be permanent in nature and visible from the main avenue of traffic.
- <u>TELEPHONE</u>: The dealership must have a working telephone, and the telephone number must be listed with Directory Assistance in the exact dealership name.
- **BUSINESS HOURS**: The dealership must be open 40 hours per week with at least 20 of those hours during regular business hours (8 a.m. to 5 p.m.). The Dealership must have posted business hours.
- <u>LEASE AGREEMENT</u>: If you do not own the proposed dealership location, a copy of the lease agreement must accompany the application. The lease cannot end before December 31st of the current year and should be in your exact dealer name and address.
- <u>SERVICE FACILITY or AGREEMENT</u>: The dealership must have their own service facilities to handle service and repairs or complete the Service Agreement with a second party that is within the dealership's county.
- <u>AUTOMOBILE LIABILITY INSURANCE</u>: Certificate of Liability Insurance from an insurance carrier authorized to do business in Nebraska must accompany the application. <u>Trailer Only Dealers</u> are exempt from Automobile Liability Insurance.
 - o The certificate **must** contain the following:
 - (1) Exact dealership name and physical address;
 - (2) Mark the appropriate type(s) of coverage such as Automobile Liability and/or Garage Liability and specify that the liability coverage is for "Any Auto" and/or "All Owned Autos." *Insurance coverage must meet or exceed Nebraska Statute 60-534 and 60-538 limits*;
 - (3) Coverage dates;
 - (4) Policy number;
 - (5) List the Motor Vehicle Industry Licensing Board including Board's address as the Certificate Holder.
- WORKERS' COMPENSATION INSURANCE: The dealership must either elect or elect not to be covered under the Nebraska Workers' Compensation Act (see Workers Compensation Waiver form for details). If the dealership elects to be covered, a proper Certificate of Workers' Compensation Insurance must accompany the application. The certificate must contain: (1) Exact dealership name and physical address; (2) Coverage dates; (3) Policy number and, (4) Motor Vehicle Industry Licensing Board listed as the certificate holder including the Board's address. If the dealership elects not to be covered, the Workers Compensation Waiver exempting the dealership from Workers' Compensation is to be completed and signed.
- <u>CORPORATE SURETY BOND</u>: A \$50,000 bond (on a form approved by the Nebraska Attorney General) signed by a Nebraska registered agent, must accompany the application. The bond must be written to reflect the ownership of the dealership, i.e., owner, partnership, corporation or LLC. If the dealership is a corporation or LLC, the LLC or the corporate name must be filed with the Nebraska Secretary of State-Business Services.
- **FRANCHISED DEALERS:** If you have a franchise agreement or contract with a manufacturer or distributor, a copy of such franchise agreement or contract must be in the exact dealership name and physical address and should accompany the application.

The application paperwork is submitted to our office for review. It is then forwarded to one of the field investigators. The investigator will contact the prospective dealer and schedule an appointment to inspect the dealership. After the inspection and approval, the applicant returns the Inspection Report and any other required items with the fee to our office for issuance of the license. A Treasurer's Certificate is issued with the Dealer's License; this Treasurer's Certificate authorizes the County Treasurer to issue dealer plates to the dealer.

Motor Vehicle Industry Licensing statutes 60-1401 through 60-1441 can be viewed at <u>www.nebraska.gov</u> (in the search box type in **state laws**).

EXAMPLES of issuance of the Bond to reflect the dealership's ownership and name

If applying as an individual owner: for example, the applicant will be doing business as Doe's Auto Sales (item 1 on the application) and item 9 on the application indicates the ownership as an Individual, John Doe: The bond is issued as <u>John Doe dba Doe's Auto Sales</u>

If applying as a partnership: for example, the applicant will be doing business as Doe's Auto Sales (item 1 on the application) and item 9 on the application indicates the ownership as partners, John Doe and Mary Doe: The bond is issued as John Doe and Mary Doe dba Doe's Auto Sales

Corporately-owned or LLC owned:

If applying as a corporately-owned or LLC owned dealership and the name of the corporation or LLC reflects autos, trailers, or motorcycles, etc. the name of the dealership could be the same. For example: Doe's Autos and Trailers, Inc.

Doe's Auto and Trailers, Inc. would be registered with the Nebraska Secretary of State, Business Services.

Doe's Auto and Trailers, Inc. would be entered on Item 1 and Item 9 on the dealer's license application. The bond would be issued as <u>Doe's Autos and Trailers</u>, Inc.

If a 'dba' name is required because the corporate name or LLC does not reflect car, auto, trailer sales, etc. or the name of the dealership is different than the name of the corporation or LLC: for example, the applicant is applying as <u>Doe's Motorcycle Sales</u> with the owner being Doe Enterprises LLC.

Item 1 on the application is the name of the dealership: Doe's Motorcycle Sales

Item 9 on the application is the LLC ownership: Doe Enterprises LLC (Doe Enterprises LLC would be registered with the Nebraska Secretary of State)

The bond would be issued as **Doe Enterprises LLC dba Doe's Motorcycle Sales**.

In this last example the dealership's sign, telephone number, and any advertising would be in the name of the dealership: Doe's Motorcycle Sales.

The bond with the original ink signature of the applicant is to be submitted with the dealer's license application. The dealer applicant should keep a copy of the bond for their records. The bond must be signed by a Nebraska registered agent, and include the printed name and address of the agent. If the bond is issued by an out of state agent, a copy of the agent's Nebraska Producer's License should accompany the bond. If a bond rider must be issued to correct the name of the principal or the county of the dealership, the bond rider must be attached to the original bond (do not alter the original bond).

Please call our agency if you have questions about the name of the dealership being acceptable or perhaps in use by another dealer.

Motor Vehicle Industry Licensing Board PO Box 94697 Lincoln NE 68509 402-471-2148 Your certificate of insurance may not be the same form as this sample, but it must contain the information as indicated on the sample. This shows auto liability and Workers Compensation on the same certificate. Dealers who have Workers Compensation coverage may have a separate certificate for it. Trailer only dealers (TR) do not have to provide auto liability coverage.

Review your certificate of liability insurance, it must have the following information.

- Your agent must include the exact dealership's name including the "Inc." or "LLC" if that is part of the name (the 'dba' name must be on the certificate if there is one) and the dealership's physical address,
- ✓ Your agent must indicate under Automobile Liability and/or Garage Liability "any auto" and/or "all owned autos" for the auto liability coverage,
- ✓ Auto liability and/or Workers Compensation must have the policy number, effective and expiration dates,
- ✓ Motor Vehicle Industry Licensing Board and the Board's address as the Certificate Holder as on the sample.

		1	CORD CERT	FI	C	ATE OF LIAB	ILITY IN	ISURA	NCE DATE (MM/DD/YYY	
		BI	HIS CERTIFICATE IS ISSUED AS A M CERTIFICATE DOES NOT AFFIRMATIV BELOW. THIS CERTIFICATE OF INSU REPRESENTATIVE OR PRODUCER, ANI	RAN D THE	CE E CI	DOES NOT CONSTITUTE ERTIFICATE HOLDER	A CONTRACT	BETWEEN 1	VERAGE AFFORDED BY THE POLICIE THE ISSUING INSURER(S), AUTHORIZE	
			MPORTANT: If the certificate holder is the terms and conditions of the policy, o certificate holder in lieu of such endorse				olicy(les) must b orsement. A st	e endorsed, itement on th	If SUBROGATION IS WAIVED, subject is certificate does not confer rights to t	
		In	nsurance Agency Name		1	' I PI	CONTACT NAME PHONE AGC, No.Extt: (AGC, No):			
	,	Street Address City State Zip code EXACT DEALERSHIP NAME DEALERSHIP'S PHYSICAL ADDRESS PO BOX (if applicable) CITY, NE ZIP CODE					ADDRESS; INSURER(S) AFFORDING COVERAGE NAIC #			
إل	\rightarrow						INSURERA: Insurance company A INSURERB: Insurance company B INSURERC:			
							INSURER D: INSURER E:			
7			OVERAGES CERT	IFIC/	ATE	NUMBER:	SURER F:		REVISION NUMBER:	
 .	•	C	THIS IS TO CERTIFY THAT THE POLICIES NDICATED. NOTWITHSTANDING ANY RECERTIFICATE MAY BE ISSUED OR MAY PEXCLUSIONS AND CONDITIONS OF SUCH P	ERTA	IN, ES.	THE INCHEANCE ACCORDING	BY THE POLICIEN REDUCED BY	T OR OTHER ES DESCRIBE PAID CLAIMS	DOCUMENT WITH RESPECT TO WHICH TH	
		INSR	TYPE OF INSURANCE GENERAL LIABILITY	NSR Y	VVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY	POLICY EXP	LIMITS	
	·		COMMERCIAL GENERAL LIABILITY CLAIMS-MADE OCCUR						EACH OCCURRENCE S DAMAGE TO RENTED PREMISES (E8 goourrence) \$	
							1		MED EXP (Any one person) 5 PERSONAL & ADV INJURY 5 GENERAL AGGREGATE : 5	
	Either		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PROLOCY LOC						PRODUCTS - COMP/OP AGG \$	
	Any Auto or		ANY AUTO ALL OWNED SCHEDULED						COMBINED SINGLE UMIT (E8 accident) \$ BODILY INJURY (Per person) \$	
	All Owned Autos	A	ALL OWNED SCHEDULED AUTOS NON-OWNED AUTOS AUTOS			12121212	MM/DD/Y	MW/DD/XX	BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$	
			UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE	-				·	S EACH OCCURRENCE S	
		_	DED RETENTIONS WORKERS COMPENSATION	_					AGGREGATE S,	
ı	1	В	AND EMPLOYERS' LIABILITY ANY PROPRIETOR/ARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N/A		343434	MM/DD/Y	MM/DD/YY	WC STATU- TORY LIMITS OTH- E.L. EACH ACCIDENT \$	
		-	If yes, describe under DESCRIPTION OF OPERATIONS below	_	+				ELL DISEASE-POLICY LIMIT S	
		l	SCRIPTION OF OPERATIONS / LOCATIONS / VEHICLE							
_			Your agent may include the under the 'insured' name and	dea d m	ler aili	ship's name and phying address.	ysical addre	ess here i	not above	
<u> </u>		CERTIFICATE HOLDER					CANCELLATION			
_		MOTOR VEHICLE INDUSTRY LICENSING BOARD PO BOX 94697 LINCOLN NE 68509					SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFOR THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED ACCORDANCE WITH THE POLICY PROVISIONS.			
	\rightarrow						AUTHORIZED REPRESENTATIVE			
•		1				1				