REQUIREMENTS/INSTRUCTIONS FOR OBTAINING TITLE BY FILING AN INDEMNITY BOND

THE DIVISION HAS THE RIGHT TO REJECT ANY BOND AND REFUSE ISSUANCE OF TITLE.

(G.S. 20-76)

BONDS ARE NOT ACCEPTABLE:
1. On abandoned vehicles. (G.S. 20-77)
2. Mechanics and Storage Liens. (G.S. 44A)
3. When there is an outstanding lien for which a lien cancellation cannot be furnished. (G.S. 20-58.4) Vehicle must be free of all liens including customers. After new title is issued, lien can then be added.
4. When litigation is pending (e.g. Death, civil suits, divorce, repo, or a party to legal action).
5. When the vehicle is not domiciled in North Carolina.
6. When the applicant is a nonresident and the vehicle is not registered in North Carolina.
7. When a vehicle is branded parts only, non-rebuildable, or declared junked.
8. When a vehicle has been declared a total loss by an insurance company and never titled in the insurance company’s name. (G.S. 20-109.1)
9. When a vehicle has been declared a total loss by an insurance company and sold without a title.

DO NOT OBTAIN BOND BEFORE COMPLETING STEPS 1 THRU 3.

STEPS TO COMPLETE:
1. Affidavit of Facts (Form MVR-92H) must be completed in full detail. Any omissions or incomplete answers could result in a delay or denial in the issuance of a title by bond. This form must be signed in the presence of a notary. Any evidence of ownership must be attached to the MVR-92H. If there is a lien on the vehicle, lien release must be attached. This form must be completed prior to Step #2.
2. The vehicle must be inspected by a NCDMV License & Theft Bureau Inspector. The inspector will provide a report of inspection (LT-270). If the vehicle is not in operable condition at the time of inspection then an Inoperable Title will be issued and no registration will be issued until the vehicle has been deemed operable by a NCDMV License & Theft Bureau Inspector.
3. The value of motor vehicles is determined from the current Value Schedule, which can be obtained from any license plate agency or by calling the NCDMV Customer Contact Center (919-715-7000). For mobile homes and vehicles not listed in the Value Schedule, two appraisals from North Carolina dealers will be required. The appraisals must be on the dealer’s letterhead and must be submitted with the bond. The bond must be for one and one-half (1½) times the highest appraisal.
4. An Indemnity Bond written by an insurance company licensed to write Surety Bonds in North Carolina. The bond must be for one and one-half (1½) times the value of the vehicle as shown in the Value Schedule provided by the Division and must be for a minimum of $100.00. The bond must be signed and witnessed on reverse side by the bonding company and applicant. Power of Attorney from the bonding company must be attached. No alterations are allowed on the bond. The bond must remain on file with the Division for a period of three years. Upon issuance of said new certificate of title, the said bond shall become effective and remain in full force and effect until surrendered by the State of North Carolina, Division of Motor Vehicles, as provided in Section 76 of Chapter 20 of the General Statues of North Carolina.
5. Application for title (Form MVR-1) completed in full and signed in the presence of a notary. The name on the MVR-1 must be identical to the name listed on the Indemnity Bond and the Inspector’s Report (LT-270). The VIN (See Note 1), vehicle year, make and body style (See Note 2) on the MVR-1 must be identical to the Indemnity Bond and the Inspector’s Report (LT-270).
6. Title Fee and Highway Use Tax is due at time of titling vehicle.

Note 1: 1981 or newer vehicles should have 17 digit VINS.