

SCHEDULE
FORM 1

Bond No. _____

Amount \$15,000.

KNOW ALL MEN BY THESE PRESENTS that we _____ of _____ (hereinafter called the Principal, as Principal, and firmly bound unto the Government of Prince Edward Island, as represented by the Minister of Finance, Energy and Municipal Affairs of PEI (hereinafter called the Oblige) in the sum of FIFTEEN THOUSAND DOLLARS (\$15,000) of lawful money of Canada, to be paid unto the Oblige, its successors, and assigns, for which payment well and truly to be made.

I, _____ bind myself, by heirs, executors, administrators, and assigns, and we _____ bind ourselves, our successors, and assigns jointly and firmly by these presents.

WHEREAS the principal is applying to the Government of Prince Edward Island for a dealer's trade license under the Highway Traffic Act R.S.P.E.I. 1988, Cap. H-5, by which when issued said Principal will be authorized to act as a dealer, as defined in the Highway Traffic Act from the _____ day of _____, 20_____.

AND WHEREAS it is a requirement of the said Act and the regulations thereto that the application for a license must be accompanied by a security bond conditioned to guarantee the provisions of Section 36 of the said Act.

NOW THEREFORE THE CONDITION OF THIS OBLIGATION is such that if the said obligation does not by reason of any act, matter, or thing at any time hereafter become or be forfeited under the Highway Traffic Act or regulations thereunder, or the Sale of Goods Act R.S.P.E.I. 1988, Cap.S-1, then the obligation shall be null and void, but otherwise shall be and remain in full force and effect and shall be subject to forfeiture as provided by said Acts.

THAT the total liability imposed upon the principal or surety by this bond and any and all renewals thereof shall be concurrent and not be cumulative and shall in no event exceed the penal sum written above or the amount substituted for such penal sum by any subsequent endorsement or renewal certificate;

THAT the Surety shall have the right to cancel this bond at any time by giving sixty (60) days notice in writing to the Registrar of Motor Vehicles, Department of Transportation and Infrastructure Renewal, Charlottetown, Prince Edward Island, it is being understood that for the purpose of any act or omission of the Principal occurring from the date of this bond to the date of termination of liability of the Surety as hereinbefore provided, this bond shall continue in force and the collateral security, if any, shall remain on deposit for a period of two (2) years after the end of the security term of this bond but the Oblige may upon notice in writing to the Surety before the expiration of the period during which the bond continues in force, extend the period for a further period of no longer than one year.

IN WITNESS WHEREOF the Principal has hereunto set hand the seal and the Surety has caused these presents to be sealed with its corporate seal, attested to by the signature of its duly authorized officer or officers this _____ day of _____, 20_____.

SIGNED, SEALED AND DELIVERED
in the presence of

(Principal)

(Surety)