

41-3-404 Right of action against dealer, salesperson, crusher, body shop, or surety on bond.

- (1) A person may maintain an action against a dealer, crusher, or body shop on the corporate surety bond if:
 - (a) the person suffers a loss or damage because of:
 - (i) fraud;
 - (ii) fraudulent representation; or
 - (iii) a violation of Section 41-3-210; and
 - (b) the loss or damage results from the action of:
 - (i) a licensed dealer;
 - (ii) a licensed dealer's salesperson acting on behalf of the dealer or within the scope of the salesperson's employment;
 - (iii) a licensed crusher; or
 - (iv) a body shop.
- (2) Successive recovery against a surety on a bond is permitted, but the total aggregate liability on the bond to all persons making claims, regardless of the number of claimants or the number of years a bond remains in force, may not exceed the amount of the bond.
- (3) A cause of action may not be maintained against any surety under any bond required under this chapter except as provided in Section 41-3-205.

Amended by Chapter 239, 1999 General Session