

SERVICE CONTRACT PROVIDER APPLICATION

COMPANY INFORMATION

1. Legal Name:

DBA or fictitious names are not permitted in WA under this registration. RCW 48.110.080(2).

2. Domicile Address:

Address where company was legally formed.

3. Physical Address:

4. Mailing Address:

5. Website URL:

6. Federal ID# (FEIN):

8. Application Contact Person:

Name, Phone, & Email Address required.

9. Compliance Officer:

Name, Phone, & Email Address required.

10. Are you a motor vehicle manufacturer, import distributor, publicly traded motor vehicle manufacturer, publicly traded import distributor, or a wholly owned subsidiary of a vehicle manufacturer or import distributor?

☐ No - Proceed to #11.

☐ Yes - Identify your business type below (*check only one*), then proceed to #14 as you are exempt under RCW 48.110.902 and not required to provide additional documentation.

☐ Vehicle manufacturer or import distributor.

☐ Publicly traded motor vehicle manufacturer or publicly traded import distributor.

☐ Wholly owned subsidiary of a motor vehicle manufacturer or import distributor.

TYPES OF SERVICE CONTRACTS

11. Select the type of service contracts the applicant will issue to residents of Washington:

☐ Motor Vehicle - Mechanical Breakdown only (Reimbursement insurance policy required, see #13 Option 1)

☐ Non-Vehicle (check the appropriate sub-item):

☐ Tire & Wheel

☐ Motor Vehicle Windshield Chip/Crack Repair/Replacement

☐ Paintless Dent Removal

☐ Motor Vehicle Key or Key Fob Replacement

☐ Residential Utilities (check the appropriate sub-item):

☐ Water

☐ Sewer

☐ Other (explain):

☐ Personal Property

Type of personal property (explain):

REQUIRED DOCUMENTATION	
12. Applicants who answered "No" to #10 (not exempt under RCW 48.110.902) must provide the following documents. Please use the checkbox to indicate the enclosure of the information:	Relevant RCW
<input type="checkbox"/> A. All legal Formation Documents (such as Articles of Incorporation, Certificate of Formation, or LLC Certificate). Include all amendments.	48.110.030(2)(a)
<input type="checkbox"/> B. Internal Governance Documents (such as current By-Laws and Operating/Managing Agreement). Include all amendments.	48.110.030(2)(a)
<input type="checkbox"/> C. A current Certificate of Good Standing (Certificate of Registration or Certificate of Formation) issued by the Washington Secretary of State.	48.110.030(2)(a)
<input type="checkbox"/> D. A current Certificate of Good Standing from the domiciliary Secretary of State.	48.110.030(2)(a)
<input type="checkbox"/> E. A completed Service of Process designation, located at the end of this application.	48.110.030(3)
<input type="checkbox"/> F. A complete external organization chart showing <u>all</u> affiliates of the applicant, and the percentage of ownership of every company in the chart.	48.110.030(2)(a)
<input type="checkbox"/> G. A list of the names and official positions of each executive officer or officers directly responsible for the service contract provider's contract business. <i>For each individual, attach their completed Biographical Affidavit. Use the prescribed Form 11 available through the NAIC Website.</i>	48.110.030(2)(b) 48.110.030(4)
<input type="checkbox"/> H. If more than fifty percent of the service contract provider's gross revenue is derived from the sale of service contracts, identify the service contract provider's directors and stockholders having beneficial ownership of ten percent or more of any class of securities. <i>For each individual, attach their completed Biographical Affidavit. Use the prescribed Form 11 available through the NAIC Website.</i>	48.110.030(2)(b) 48.110.030(4)

REQUIRED INDEMNIFICATION & FINANCIAL ABILITY
<p>13. Select from Option 1 through 4 (<i>choose only one</i>) to identify the method by which the applicant will rely on to assure faithful performance of its obligations under its service contracts:</p> <p><input type="checkbox"/> Option 1: Reimbursement Insurance Policy (CLIP).</p> <ul style="list-style-type: none"> A reimbursement insurance policy, also known as a contractual liability insurance policy (CLIP) <u>is required</u> if the applicant will issue Motor Vehicle - Mechanical Breakdown service contracts. RCW 48.110.075(2)(a) An applicant may use a reimbursement insurance policy (CLIP) for Non-Vehicle, Personal Property, or Residential Utilities service contracts. RCW 48.110.050(2)(a) A reimbursement insurance policy (CLIP) must be issued by a qualified (as outlined in the statute) insurer or risk retention group (RRG). <p>IMPORTANT: If issuing more than one type of service contract and using a reimbursement policy (CLIP), all obligations must be covered under the same reimbursement insurance policy (CLIP). RCW 48.110.060(2)</p> <p><u>Required Policy Documents</u></p> <p>Please use the checkbox to indicate the enclosure of the information:</p> <p><input type="checkbox"/> A <u>complete</u> copy of the reimbursement insurance policy (CLIP) in its entirety; and</p> <p><input type="checkbox"/> A recent letter from the insurer or RRG indicating the policy is currently in force, compliant with RCW 48.110.060, and compliant with all form and rate filing requirements under Chapters 48.18 and 48.19 RCW.</p>

Required Financial Documents

The applicant must provide financial statements that prove they have and maintain a minimum net worth or stockholders' equity of \$200,000 or more calculated in accordance with RCW 48.110.078(1) and have the ability to pay its debts when debts become due. RCW 48.110.030(2)(c)(i)

IMPORTANT: This requirement is specific to the applicant. We will not accept any submission that does not show the financial position of the applicant on a stand-alone basis. All consolidated statements must contain or be accompanied by a certified supplemental schedule from the auditor showing the financial activity of the applicant.

The applicant's financial statements are (choose one):

- ☐ The most recent audited annual financial statement; or
- ☐ The most recent annual financial statements that are certified as accurate by two (or more) officers of the applicant. *If submitting unaudited financial statements, the commissioner's prescribed [form](#) for certifications is required. An altered or incomplete form is invalid.*
- ☐ As a start-up (in operation less than one fiscal year only), the most recent audited financial statements; or
- ☐ As a start-up (in operation less than one fiscal year only), the most recent financial statements that are certified accurate by two (or more) officers of the applicant. *If submitting unaudited financial statements, the commissioner's prescribed [form](#) for certifications is required. An altered or incomplete form is invalid.*

☐ **Option 2: Reserve and Trust.** RCW 48.110.050(2)(b)

This option is for applicants issuing non-vehicle or other service contracts only. Applicants issuing Motor Vehicle – Mechanical Breakdown service contracts must elect Option 1.

- The applicant will maintain a funded reserve account and place a deposit with the Commissioner. RCW 48.110.050(2)(b)
- If using a surety bond, you must include a completed Bond form from our [website](#).

Required Financial Documents

The applicant must provide financial statements that prove they have and maintain a minimum net worth or stockholders' equity of \$200,000 or more calculated in accordance with RCW 48.110.078(2) and have the ability to pay its debts when debts become due. RCW 48.110.030(2)(c)(i)

IMPORTANT: This requirement is specific to the applicant. We will not accept any submission that does not show the financial position of the applicant on a stand-alone basis. All consolidated statements must contain or be accompanied by a certified supplemental schedule from the auditor showing the financial activity of the applicant.

The applicant's financial statements are (choose one):

- ☐ The most recent audited annual financial statement; or
- ☐ As a start-up (in operation less than one fiscal year only), the most recent audited financial statements.

☐ **Option 3: The applicant is relying on maintain a net worth or stockholder's equity of at least \$100 million.** RCW 48.110.050(2)(c)

This option is for applicants issuing non-vehicle or other service contracts only. Applicants issuing Motor Vehicle – Mechanical Breakdown service contracts must elect Option 1.

- The applicant, on a stand-alone basis, has and will maintain a minimum net worth or stockholder equity of \$100 million.

Required Financial Documents

The applicant must provide financial statements that proves they maintain a minimum net worth or stockholders' equity of \$100 million or more calculated in accordance with RCW 48.110.078(2) and has the ability to pay its debts when debts become due. RCW 48.110.030(2)(c)(ii)

IMPORTANT: This requirement is specific to the applicant. We will not accept any submission that does not show the financial position of the applicant on a stand-alone basis. All consolidated statements must contain or be accompanied by a certified supplemental schedule from the auditor showing the financial activity of the applicant.

The applicant's financial statements are (choose one):

- ☐ The most recent audited **annual** financial statement; or
- ☐ As a start-up (in operation less than one fiscal year only), the most recent audited financial statements; or
- ☐ The most recent Form 10-K or Form 20-F filed with the SEC.

☐ Option 4: Parent company will maintain a net worth or stockholder's equity of at least \$100 million. RCW 48.110.050(2)(c)

This option is for applicants issuing non-vehicle or other service contracts only. Applicants issuing Motor Vehicle – Mechanical Breakdown service contracts must elect Option 1.

- The applicant's parent company has and will maintain a minimum net worth or stockholder equity of \$100 million.

Required Documents

Please use the checkbox to indicate enclosure of the required information:

- ☐ A completed Parental Agreement and Guarantee form from our [website](#). This must be the originally completed form, not a copy. An altered or incomplete form will be considered invalid.

Required Financial Documents

The applicant must provide financial statements which proves its parent, maintains a minimum net worth or stockholders' equity of \$100 million or more calculated in accordance with RCW 48.110.078(2) and has the ability to pay its debts when debts become due. RCW 48.110.030(2)(c)(ii)

The parent's financial statements are (choose one):

- ☐ The most recent audited **annual** financial statement; or
- ☐ As a start-up (in operation less than one fiscal year only), the most recent audited financial statements; or
- ☐ The most recent Form 10-K or Form 20-F filed with the SEC.

GENERAL QUESTIONS

Please answer "Yes" or "No" to each of the following questions. *For any "Yes" answer, attach information and documentation explaining this response.*

14. Are there any formal or informal regulatory actions, pending or which have been taken, against the applicant by any governmental agency? RCW 48.110.030(4), RCW 48.110.130(1)(g)	<input type="checkbox"/> Yes <input type="checkbox"/> No
15. Are there any formal or informal regulatory actions, pending or which have been taken, against any officers, directors, trustees, partners, or members of the applicant by any governmental agency? RCW 48.110.030(4)	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Are there any criminal or civil convictions or pending criminal or civil actions other than minor traffic violations against the applicant or any of its officers, directors, trustees, partners, or members? RCW 48.110.030(4)	<input type="checkbox"/> Yes <input type="checkbox"/> No

17. Has the applicant solicited or issued service contracts to residents of Washington prior to application? RCW 48.110.030(1)	<input type="checkbox"/> Yes <input type="checkbox"/> No
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STATEMENTS OF UNDERSTANDING

18. The following statements are provided to direct the applicant to additional regulations in applying for and operating as a Service Contract Provider in Washington state.

- A.** The Service Contract Provider understands the application fee of \$250.00 is non-refundable. RCW 48.110.030(2)(d)
- B.** The Service Contract Provider understands that the commissioner may conduct investigations as deemed necessary to determine whether any person has violated any provisions of this Chapter. RCW 48.110.120
- C.** The Service Contract Provider understands that it is required to maintain detailed books and records of all Washington transactions to which this Chapter applies. RCW 48.110.090
- D.** The Service Contract Provider understands that it must conduct all business in its own legal name. RCW 48.110.080(2)
- E.** The Service Contract Provider understands that it must maintain a required minimum net worth or stockholders' equity, and pay its debts when debt becomes due, to retain an active registration. RCW 48.110.130(2)(a)(i)
- F.** The Service Contract Provider understands that it must provide timely notification of any material change to its registration information, including its financial condition. RCW 48.110.030(6)
- G.** The Service Contract Provider understands that all contracts must be fully compliant with all applicable RCW's and WAC's, to include RCW 48.110.070, RCW 48.110.073, RCW 48.110.075, and WAC 284-20C.
- H.** The Service Contract Provider is the contractual obligor and liable to the contract holder under this registration and understands that, if issued, the registration applies only to the registrant and no other entity (i.e., natural, or corporate persons, affiliates, agents, assignees, contractors, marketers, representatives, etc.). RCW 48.110.020(20), RCW 48.110.030(1)

CERTIFICATION

I declare under penalty of perjury under the laws of the state of Washington that I am duly authorized to make this application on behalf of the applicant, that the foregoing statements and information regarding the applicant and the contents of all attachments are true and correct*.

Signature of Company Officer

Printed Full Legal Name

Title

State of _____)

County of _____)

Signed and Sworn to (or affirmed) before me this _____ day of _____ 20 ____ By _____
Name of person making statement

Notary Public - My Commission Expires:

(Seal or Stamp)

*In addition to penalties for perjury, RCW 48.110.130 authorizes the Commissioner to deny, suspend, or revoke the registration of a service contract provider if the Commissioner finds that the service contract provider made a material misstatement in its application for registration or has obtained or attempted to obtain a registration through misrepresentation or fraud.



OFFICE of the
INSURANCE
COMMISSIONER
WASHINGTON STATE

STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER
APPOINTMENT OF ATTORNEY TO ACCEPT SERVICE

Entity Legal Name: _____

Home Office Address: _____

City, State, Zip: _____ WA OIC # _____

The Entity is authorized to transact business in Washington under Title 48 RCW as a:

<i>Licensee/Registrant Type</i>	<i>Statute governing the appointment</i>
<input type="checkbox"/> Service Contract Provider	RCW 48.110.030
<input type="checkbox"/> Protection Product Guarantee Provider	RCW 48.110.055
<input type="checkbox"/> Life Settlement Provider	RCW 48.102.011
<input type="checkbox"/> Reinsurance Intermediary Broker/Manager	RCW 48.94.010
<input type="checkbox"/> Healthcare Discount Plan Organization	RCW 48.155.020
<input type="checkbox"/> Charitable Gift Annuity Issuer	RCW 48.38.010
<input type="checkbox"/> Risk Purchasing Group	RCW 48.92.080
<input type="checkbox"/> Risk Retention Group	RCW 48.92.040
<input type="checkbox"/> Health Care Benefit Manager	RCW 48.200.300
<input type="checkbox"/> Rating Organization	RCW 48.19.170

The Entity is duly organized under the laws of the State of _____. The Entity hereby appoints the Insurance Commissioner of the State of Washington, and any successor in office, as its lawful attorney to receive service of all legal process issued against it in the state of Washington upon causes of action arising within the state of Washington. Service upon the Commissioner as attorney constitutes service upon the Provider.

The Entity designates the following natural or corporate person to whom the Commissioner must forward legal process so served on him or her:

Legal Name: _____

Email Address: _____

Street Address: _____

City, State, Zip: _____

The appointment of the Insurance Commissioner of the State of Washington as attorney is irrevocable, binds any successor in interest or to the assets or liabilities of the Entity, and remains in effect for as long as there could be any cause of action against the Entity arising out of any of the Entity's contracts, transactions or obligations in this state. This designation will remain in place until the Entity files a new designation. Any service of process will be accomplished and processed in accordance with RCW 48.02.200.

I acknowledge that I am authorized to execute and am executing this document on behalf of the Entity. IN WITNESS OF THIS APPOINTMENT, the Entity has caused this instrument to be executed in its name by the undersigned at the City of _____, in the State of _____, this _____ day of _____, 20_____.

Signature of Authorized Person: _____

Printed Name: _____

Title: _____