

APPLICATION FOR MANAGING GENERAL AGENT (MGA) APPOINTMENT

INSTRUCTIONS:

- Section I of this form is to be completed by an authorized representative of the insurance company and Section II is to be completed by the Managing General Agent (MGA). Non-resident MGAs must also complete Section III. If currently licensed as an MGA in this state, the Alabama MGA license number must be shown in Section I. If not currently licensed, the Department will assign a number upon filing.
- Filing of this application does not give authority to the MGA. This authority does not exist until all required items are filed and a license is issued by the Alabama Department of Insurance.
- This application must be accompanied by a check or money order in the amount of \$355.00, representing an application fee of \$30.00 and a license (appointment) fee of \$125.00 and examination fee of \$200. [Retaliatory fees may also apply. See Section III of application.] An application will be returned without processing if not accompanied by the fees as indicated above. Make check or money order payable to "**Commissioner of Insurance, State of Alabama.**"
- In addition to the fees mentioned above, the following items **MUST** be submitted with this application:
 - If applicant is a business entity, a certificate of good standing from the Alabama Secretary of State.
 - Original copy of fidelity bond or commercial crime policy [in the minimum amount of \$100,000 or 25% of gross direct premium, whichever is greater, with a deductible not to exceed \$10,000].
 - Copy of MGA's errors and omissions policy [in the minimum amount of \$1,000,000 or 25% of gross amount of direct premium, whichever is greater].
 - Duplicate copy of the executed contract between the MGA and the insurer. All Alabama insurers must use Form AL-MGA-2, which can be obtained from the Alabama Department of Insurance and may be freely copied. Other insurers must also use Form AL-MGA-2, unless the insurer is domiciled in a state having a law substantially similar to the Alabama MGA Act, in which case the insurer must file a copy of a contract which complies with the Alabama MGA Act with this application.
- A separate application must be completed for each MGA and each insurer.
- PLEASE TYPE. Deliver this completed application to:

Examiners Division
Alabama Department of Insurance
201 Monroe Street, Suite 1700
P. O. Box 303351
Montgomery, Alabama 36130-3351

SECTION I (TO BE COMPLETED BY THE INSURER)

NAME OF INSURER: _____

INSURER NAIC NO.: _____

NAME OF MGA: _____

ALA. MGA LICENSE NO.: _____ MGA's FEDERAL TAXPAYER ID NO.: _____

The above-named insurer requests that the above-named MGA, who is otherwise described in Section II of this application, be licensed and appointed as a Managing General Agent (MGA) for the following line(s) of insurance (mark as many as required):

- | | | | | |
|---|----------------------------|-----------------------------|----------------------------|------------------------|
| V - Variable Life/Variable Annuity | L - Life | P - Property | C - Casualty | CR - Credit |
| H - Accident & Health or Sickness (Disability) | PL - Personal Lines | A - Automobile | BB - Bail Bond | MC - Motor Club |
| IF - Industrial (debit) Fire | RV - Rental Vehicle | DS - Dental Services | LS - Legal Services | |

By the signature of an authorized company official, the above-named insurer requests that the applicant described in this application be licensed and appointed as MGA for the above indicated line(s) of insurance (mark as many as required). We have investigated the character and background of this applicant and are satisfied that the applicant is trustworthy and qualified to act as our MGA, we endorse the applicant as being of good business standing and character and we desire that the applicant be licensed and appointed as our MGA as indicated above. We are familiar with the federal law (18 U.S.C. § 1033) which prohibits anyone who has been convicted of a felony involving dishonesty or a breach of trust from conducting the business of insurance and understand it is a violation of this law to willfully permit a prohibited person from conducting the business of insurance.

Dated: _____

(original signature of authorized company official)

(typed name of authorized company official)

(address)

(city/state/zip)

(e-mail address)

(telephone)

DO NOT WRITE IN THIS SPACE

SECTION II [TO BE COMPLETED BY THE MGA]

1. EXACT NAME OF MGA: _____

Please indicate any other name by which MGA may have been known (e.g.: alias, maiden name, d/b/a, etc.):

2. BUSINESS ADDRESS: _____
P.O. Box or Street City State Zip County

3. MAILING ADDRESS: _____
(if different) P.O. Box or Street City State Zip

4. Mark legal status of applicant (a partnership, corporation, etc., **MUST** submit with this application a certificate of good standing from the Alabama Secretary of State):
Individual Corporation Partnership Unincorporated firm or association Limited Liability Company

QUESTIONS 5 THROUGH 9 APPLY ONLY TO INDIVIDUALS (All other applicants skip to Question 10).

5. HOME ADDRESS: _____
P.O. Box or Street City State Zip County

6. Date of Birth: ____ / ____ / ____ Place of Birth: _____ Social Security Number ____ - ____ - ____

7. Are you a citizen of the USA, or of Canada, or a permanent resident under U.S. immigration laws? (Yes / No) _____

8. Are you a resident of the state of Alabama and, if so, for how long? [_____] years] (Yes / No) _____
If different than above, give home address (city & state) for the past five years (attach supplemental sheet if necessary):

9. If you are going to be associated with an agency, give its name and address and mark your status with the agency.

Name of Agency P.O. Box or Street City State Zip
STATUS: Owner or Partner Corporate Officer Representative (Agent)

ALL APPLICANTS MUST ANSWER THE FOLLOWING QUESTIONS [Corporations, partnerships, etc., must answer these questions as to each officer, director, stockholder, partner, etc., and as to every employee personally engaged in soliciting or negotiating policies of insurance.]

PLEASE read very carefully and answer every question:

10. Have you **EVER** been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld? Yes ___ No ___

"Crime" includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations and juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.

If you answer yes, you must attach to this application:

- a) a written statement explaining the circumstances of each incident,
- b) a copy of the charging document, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

11. I am familiar with the federal law (18 U.S.C. 1033) which prohibits anyone who has been convicted of a felony involving dishonesty or a breach of trust from conducting the business of insurance and understand that it is a violation of this statute to willfully permit a prohibited person from conducting the business of insurance. Yes ___ No ___

12. Have you or any business in which you are or were an owner, partner, officer or director ever been involved in an administrative proceeding regarding any professional or occupational license? Yes ___ No ___

"Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, placed on probation or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding which is related to a professional or occupational license. "Involved" also means having a license application denied or the act of withdrawing an application to avoid a denial. You may exclude terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application:

- a) a written statement identifying the type of license and explaining the circumstances of each incident,
- b) a copy of the Notice of Hearing or other document that states the charges and allegations, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

13. Has any demand been made or judgment rendered against you for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Yes ___ No ___

If you answer yes, you must submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type and location of bankruptcy, including in your statement whether the judgment, lien or bankruptcy involves the business of insurance and also attach your sworn affidavit confirming that your bankruptcy was not insurance related.

14. Have you been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes ___ No ___

If you answer yes, identify the jurisdiction(s): _____

15. Are you currently a party to, or have you ever been found liable in, any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty? Yes ___ No ___

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident,
- b) a copy of the Petition, Complaint or other document that commenced the lawsuit or arbitration, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

16. Have you or any business in which you are or were an owner, partner, officer or director ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Yes ___ No ___

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
- b) copies of all relevant documents.

NOTE: If the answer to any part of Questions 10-16 is "yes", you must attach a supplementary statement explaining in full each such occurrence.

ALL APPLICANTS MUST COMPLETE THIS PORTION IN THE PRESENCE OF A NOTARY PUBLIC

I, _____, under penalty of perjury as set out in the Criminal
(Typed name of Applicant (MGA) or of Duly Authorized Representative of MGA)

Chapter of the Code of Alabama, 1975, hereby swear or affirm that all answers and responses to questions and inquiries contained in this application are true and correct and complete answers and responses herein are to be considered by the Commissioner of Insurance as material to the execution of his or her duties under the Alabama Insurance Code in his or her decision upon this application and that I have read and am familiar with the sections of the Alabama Insurance Code setting forth the qualifications for the license for which I am making this application and that I am withholding no information which would affect my qualifications for this license for which I am making application.

If not signed by individual Applicant, complete the following as to the duly authorized representative:

Original signature of Applicant (if an individual) or of Duly Authorized Representative (if not an individual)

Title

Typed Name of Applicant or of Duly Authorized Representative

Mailing Address

City, State, Zip

Telephone

STATE OF _____)

COUNTY OF _____)

Before me, the undersigned authority, personally appeared _____
(Name of Individual or of Duly Authorized Representative)

who is known to me and who acknowledged before me that he/she signed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal, this _____ day of _____, 20_____.

(NOTARY SEAL)

Notary Public (Original Signature)
My Commission Expires: _____

SECTION III (TO BE COMPLETED BY ALL NON-RESIDENT APPLICANTS)

RETALIATORY FEES AND OBLIGATIONS

- A. Aggregate Fees an Alabama MGA would owe in MGA's State of Domicile: Initial Application Fees \$ _____
- B. Aggregate Fees in Alabama: Initial Application Fees _____ - 355.00
- C. Difference (if less than Zero enter "0"): \$ _____

If the total taxes and fees an Alabama MGA would owe in the MGA's state of domicile is greater than the aggregate taxes and fees in Alabama, the same aggregate amount is to be paid in Alabama. In such case, the amount shown above on line A should be attached to this application in lieu of the total amount shown above on line B.

Additionally, in Alabama an MGA must obtain and provide a copy of a fidelity bond for the protection of the insurer or a commercial crime policy in the minimum amount of \$100,000 with a deductible not to exceed \$10,000, and must provide a copy of the MGA's errors and omissions liability policy with coverage limits in the minimum amount of \$1,000,000 or 25% of the gross amount of direct written premium received by an insurer for the previous year that is attributable to the MGA, whichever is greater. If an Alabama MGA would be subject to requirements or obligations in your state of domicile in excess of these requirements, you will be subject to the same requirements and obligations in this state.

- Requirements in your state of domicile:
 - D. Fidelity Bond/ Commercial Crime Minimum Limits: _____
 - E. Errors & Omissions policy coverage limits: _____
 - F. Other requirements (list): _____

APPOINTMENT OF ALABAMA COMMISSIONER OF INSURANCE AS AGENT FOR SERVICE OF PROCESS

The undersigned, _____, (a corporation), (a partnership),
Name of Managing General Agent
(a _____), duly organized under the laws of the State of _____, or (an individual)
(indicate other legal entity) (state of domicile)

[strike our inapplicable nomenclature], a Managing General Agent, for purposes of complying with the laws of the State of Alabama, hereby irrevocably appoints the Alabama Commissioner of Insurance, and his or her successors in office, to be its lawful attorney upon whom all legal process in any action or proceeding against it shall be served and further agrees that any lawful process against it which is served upon this attorney shall have the same legal validity as if served personally upon the Managing General Agent. The Managing General Agent gives the Alabama Commissioner of Insurance, and his or her successors, full authority to do every act necessary to be done under this appointment as fully as the Managing General Agent could do if personally present and ratifies all that lawfully done under the power granted by this appointment. This authority may be withdrawn only upon a written notice of revocation and in any case shall continue in effect so long as any liability arising out of this appointment remains outstanding in this state. This instrument is executed pursuant to and shall be construed to constitute full compliance with Section 27-10-50, et seq., Code of Alabama 1975.

The Managing General Agent designates _____
who is a resident of the state of Alabama and whose address is _____

as the person upon whom process against the Managing General Agent served upon the Commissioner shall be forwarded. The undersigned agrees to promptly notify the Alabama Commissioner of Insurance in writing of every change in this designated agent, and no such change shall become effective until acknowledged by the Commissioner.

DATED, this _____ day of _____, 20_____.

Typed Name of Managing General Agent

Original signature of (individual) or (Officer of Corporation)

Title of Corporate Officer

STATE OF _____)
COUNTY OF _____)

Before me, the undersigned authority, personally appeared _____
(Name of Individual or of Duly Authorized Representative)
who is known to me and who acknowledged before me that he/she signed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal, this _____ day of _____, 20_____.

(NOTARY SEAL)

Notary Public (Original Signature)
My Commission Expires: _____

AFFIDAVIT REGARDING BANKRUPTCY, JUDGMENTS OR LIENS

(Attach to application only if required in response to Question 13.)

STATE OF _____

COUNTY OF _____

I, _____, under penalty of perjury, do hereby swear or
(Applicant's Name)

affirm the following facts:

1. I declared bankruptcy or had a judgment or lien entered against me in the State of

_____ in the year of _____.
(State) (Year)

2. None of the debts were monies owed to insurance companies or policyholders or consumers related to the business of insurance.

Signature of Applicant

Date

Subscribed and sworn to before me this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____