

NEW PRENEED CERTIFICATE OF AUTHORITY APPLICATION



ALABAMA DEPARTMENT OF INSURANCE
Examination- Preneed Section
201 Monroe Street, Suite 502
Montgomery, AL 36104

PRENEED CERTIFICATE OF AUTHORITY

NEW APPLICATION

FORM AL-PNC-1 (11/2021)

COVER PAGE

THIS PAGE MUST BE COMPLETED AND SUBMITTED WITH YOUR APPLICATION.

Note: Please do not print this form on both sides of the paper.

NAME OF APPLICANT: _____

DATE: _____

Please note that we will be unable to review your application submission until all documents have been filed and have been completed in their entirety.

Qualifications:

- Company meets minimum equity requirement of \$10,000.
Company has a Licensed Funeral Director or Establishment License.
Company has at least one registered Preneed Sales Agent (PSA).

Documentation:

- Financial statement prepared according to Rule 482-3-003.10
Application completed in its entirety
Citizenship documentation if individual or partnership
Copy of application fee payment of \$198.00
List of Trustee(s), Insurance Company(s), Letter of Credit Bank(s), or Surety Bond Company(s)
Sample contract for each funding vehicle
Merchandise and Services Trust Agreement (if applicable)
Signed trust participation agreement
Preneed Sales Agent Application and required documentation
Historical Sketch(s)
Endowment Care Trust Agreement (if applicable)
Branch Registrant Application (if applicable)

NEW PRENEED CERTIFICATE OF AUTHORITY APPLICATION



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Type of Business (Check appropriate box below)
[] Funeral Establishment
[] Combination Funeral/Cemetery
[] Cemetery Authority
[] Third-Party Seller

PRENEED CERTIFICATE OF AUTHORITY
NEW APPLICATION

FORM AL-PNC-1 (REVISED 11/2021)

NAME OF BUSINESS ENTITY (APPLICANT) D/B/A NAME (if applicable)

PHYSICAL ADDRESS (Street, City, State, Zip Code) (No P. O. Box) TELEPHONE NUMBER

MAILING ADDRESS (P. O. Box or Street Address, State, City, Zip Code) FAX NUMBER

E-MAIL ADDRESS FSB LICENSE NUMBER

FEDERAL EMPLOYER I. D. NUMBER FISCAL YEAR END DATE

- 1. Type of Organization: [] Individual [] Partnership [] LLC [] LLP [] C Corp [] S Corp
2. Is this application part of a transfer? [] Yes [] No If yes, was it operated as a Branch Registrant PN#
3. Is the Applicant operating at more than one location under a common business enterprise with the same name?
4. Does the Applicant have any additional locations which will be conducting preneed business under the Certificate of Authority?
5. What type of preneed contracts will be written?
6. What type of funding will be used to fund preneed contracts?
7. On a separate page, list the trustee, life insurance company, letter of credit bank, or surety bond company.
8. Attach a completed historical sketch of all principals of the Applicant, including officers, directors, and majority shareholders.

Form continued on next page.

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9. Has or is the Applicant or any person listed herein, or any person with power to direct the management or policies of the Applicant, been the subject of:
- a. A pending criminal prosecution or governmental enforcement action in any jurisdiction: Yes No
 - b. Convicted or found guilty, regardless of adjudication, of any crime involving fraud, dishonest dealing, or any other act of moral turpitude: Yes No
 - c. Had a license, or the equivalent, to practice any profession or occupation denied, revoked, suspended or otherwise acted against: Yes No

If any answers are yes, explain on a separate page and include official documentation of the final disposition of the case(s).

10. Has the Applicant ever been the subject of any bankruptcy proceeding or had a judgment filed against it, either present, past or pending? Yes No

If yes, attach a statement of the facts (including date(s)), together with the case: style, number, name and location of the court(s) in which the proceedings were held or are pending.

10a. If you answered yes above, did the bankruptcy proceeding or judgment involve an insurance company or policyholders/consumers related to the business of insurance or preneed? Yes No

If yes, provide the company names and specific details.

11. Has the Applicant ever held a preneed certificate of authority? Yes No **If yes**, explain on a separate page.
12. Has the Applicant ever written any preneed contracts subject to Title 27-17A of the Code of Alabama 1975 since May 1, 2002? Yes No **If yes**, explain on a separate page.

13. ALA. Code § 27-17A-11 requires Applicants for certificates of authority to provide the Commissioner with a full and true statement of its financial condition which demonstrates, among other things, that the applicant “has the ability to discharge his or her liabilities as they become due in the normal course of business”. All applicants must provide, at a minimum, financial statements with full disclosures. The financial statement must be as of the last fiscal year ending prior to the date of this application. Rule 482 -3-003-.10 requires that the financial statement include a balance sheet, income statement, cash flow statement and notes to the financial statement. The financial statement may be prepared using either Generally Accepted Accounting Principles or be prepared using the statutory basis of accounting as prescribed by that Rule. Financial statements prepared on any other basis will not be accepted.

Form continued on next page.

NEW PRENEED CERTIFICATE OF AUTHORITY APPLICATION

14. If the Applicant is applying for a preneed certificate of authority as an individual/sole proprietor, or as an individual/partner in a general partnership, the Applicant must check the appropriate box below and provide the required documentation. Each and every individual partner constituting a partnership must complete this page and provide the appropriate documentation.

I declare that I am a citizen of the United States. Please attach a copy of ONE of the following (see Ala. Code § 31-13-29(g)):

- Driver’s license or other non-driver identification card
- Birth certificate
- United States passport or United States naturalization documentation
- Other proof of United States citizenship as defined in Ala. Code § 31-13-29(g)

I declare that I am not a citizen of the United States but that I am lawfully present in the United States and am eligible to engage in a public records transaction under Ala. Code § 31-13-29. Eligibility will be verified through the Systematic Alien Verification for Entitlements program operated under the United States Department of Homeland Security or by other verification with the United States Department of Homeland Security. Please attach a copy of ONE of the following (see Ala. Code § 31-13-3(10)):

- Valid, unexpired Alabama driver’s license or unexpired Alabama non-driver identification card
- Valid federal or state government issued identification document bearing a photograph or other biometric identifier
- Other proof of lawful presence as defined in Ala. Code § 31-13-3(10)

PLEASE SIGN AND DATE BELOW.

If the Applicant is issued a preneed certificate of authority, the Applicant agrees to comply with the requirements of Title 27, Chapter 17A of the Code of Alabama 1975 and any rules, regulations and bulletins promulgated by the Department dealing with Chapter 1 7A.

I, as the Applicant or the representative authorized to sign on behalf of the Applicant, certify that the above information, including the attached financial statement, is true and correct to the best of my knowledge and belief. I certify that I have and will comply with all of the requirements of Chapter 27-17A, Code of Alabama, 1975 and request approval of my application for a Preneed Certificate of Authority. I understand that any person who knowingly presents false or fraudulent information to the Commissioner of Insurance or his representative, willfully fails to timely make deposits to trust, or knowingly withdraws unauthorized funds or assets from a trust may be guilty of a felony under Alabama Law and subject to restitution, fines, loss of any or all certificates of authority or other applicable licenses, prison or any combination thereof.

Signature of Applicant/Authorized Representative

Date

Print Name

Form continued with the List of Principals on the next page.

NEW PRENEED CERTIFICATE OF AUTHORITY APPLICATION

LIST OF PRINCIPALS

General Instructions and Information:

- 1. List all the principals for the Certificate of Authority.
2. Include all officers, directors, owners, partners, etc.
3. This page can be copied as many times as is necessary. Please indicate at the top of each page the page number and total number of pages.
4. Attach completed historical sketches (see pages 5 and 6 of this application) for each principal listed below, including officers, directors, and majority shareholders. The history must be for at least the prior ten (10) years.

Summary Information:

Printed Name: _____

Relationship to Certificate of Authority Holder: _____

Title: [] Owner (% of Ownership: _____) [] Partner [] Member (LLC) [] Director [] Officer

Other: _____

Printed Name: _____

Relationship to Certificate of Authority Holder: _____

Title: [] Owner (% of Ownership: _____) [] Partner [] Member (LLC) [] Director [] Officer

Other: _____

Printed Name: _____

Relationship to Certificate of Authority Holder: _____

Title: [] Owner (% of Ownership: _____) [] Partner [] Member (LLC) [] Director [] Officer

Other: _____

Printed Name: _____

Relationship to Certificate of Authority Holder: _____

Title: [] Owner (% of Ownership: _____) [] Partner [] Member (LLC) [] Director [] Officer

Other: _____

Form continued on next page.

NEW PRENEED CERTIFICATE OF AUTHORITY APPLICATION

HISTORICAL SKETCH OF PRINCIPALS

(Form must be complete)

The following pages are to be completed by each principal.

I, _____, submit the following information to the Alabama Department of Insurance, for its use as a part of the application for a certificate of authority to sell preneed funeral merchandise and services and/or cemetery merchandise and services pursuant to Title 27, Chapter 17A of the Code of Alabama 1975 by

(Name of applicant for certificate of authority)

(Residence Address)

(Street Address)

(City)

(County)

(State)

(Zip)

Have you, or any company of which you are, or were then, an officer or member, ever been the subject of a bankruptcy proceeding or had a judgment filed against you or the entity, either present, past or pending? Yes _____ No _____
(If "Yes" provide a statement of the charges and facts of the case(s), together with the name and location of the court(s) in which the proceedings were held or are pending.)

Relationship to Applicant for Certificate of Authority: _____
(Office held, % of ownership, etc.)

Other Business Affiliations: Provide a list of all business entities or organizations with which you are presently affiliate d. Attach additional list if necessary. (This does not include social organizations.)

Business Name and Location	Nature of Business	Affiliation
_____	_____	_____
_____	_____	_____
_____	_____	_____

Employment History:

Complete the following schedule to show employment history for the past ten (10) years. Attach an additional sheet if necessary.

Name of Present or Last Employer:

Type of Business:

Address:

Your Job Title:

Supervisor's Name:

From: ____/____/____

To: ____/____/____

Form continued on next page.

NEW PRENEED CERTIFICATE OF AUTHORITY APPLICATION

Name of Next Previous Employer: _____

Type of Business: _____

Address: _____

Your Job Title: _____

Supervisor's Name: _____

From: ____/____/____ To: ____/____/____

By affixing my signature to this form, I hereby agree that the Alabama Department of Insurance may make full inquiry of each of the above named persons and all former employers and all other persons concerning my business, professional or moral character and reputation, including the procurement of letters, statements or affidavits concerning the same that may be deemed pertinent to a determination of my qualifications for application to obtain a certificate of authority to sell preneed funeral merchandise and services, and do specifically waive all claims, damages, rights of action or causes of action that might otherwise accrue to me against any of said persons, resulting or arising from, or by reason of, any and all statements of fact or opinion given in good faith concerning me expressed by any of them in reply to any inquiry made by, or under the direction of, the Alabama Department of Insurance, whether the same be responsive to, or necessarily required by, such inquiry or not, and that all such statements shall be deemed privileged and not actionable by me unless such statements are, in fact, willfully made and falsely given with malice toward me. I understand that this inquiry may include a criminal background check through the Alabama Department of Public Safety or any other appropriate state agency and the National Criminal Information Center (NCIC).

CERTIFICATION

I hereby certify that the information presented herein is true and correct to the best of my knowledge and belief, that said information is submitted voluntarily by me to the Alabama Department of Insurance as essential data in connection with the application described above, and acknowledge that any misstatement may cause the Alabama Department of Insurance to initiate proceedings against the license.

Signature of Applicant/Authorized Representative

Date

Print Name

This application must be accompanied by the payment of a \$198.00 non-refundable application fee.

Payment should be made online at <https://appengine.egov.com/apps/al/aldoi/examiners>. Applications and required documentation can be uploaded with the payment.

All documents not uploaded through the website above should be mailed to the address below:

**ALABAMA DEPARTMENT OF INSURANCE
P. O. BOX 303351
MONTGOMERY, ALABAMA 36130-3351**

ATTENTION: If additional information is required by the Department of Insurance, the requested information must be provided within twenty (20) business days from the date of the request. Failure for timely response will result in a denial of your application.