

Business Entity Application for Administrator's Certificate

LIC 441-12 (Rev. 9/2017)

Producer Licensing Bureau

P.O. Box 1139

Sacramento, CA 95812-1139

(800) 967-9331

www.insurance.ca.gov

Department Use Only

License _____

IMPORTANT: Read FILING INSTRUCTIONS on Page 7 before completing this application

1. Business Entity Type - check only one

- Corporation
- General Partnership
- Limited Liability Company
- Limited Liability Company
- Limited Liability Partnership
- Nonprofit Corporation
- Unincorporated Association

(Federal Employee Identification number)

2. Name of Entity _____

3. Business Address (PO Box is not acceptable)

4. Business phone number _____ **5.** Business fax number _____
(____) _____ (____) _____

6. Business E-Mail Address and Business Entity Website Address:

7. Business Entity Disclosure: Identify all partners, members, officers, directors, managers, controlling persons and any shareholders owning 10% or more interest in the business entity. (Attach separate sheet if more space is needed)

Name _____	Title _____	SSN/FEIN** _____	% of ownership _____
Name _____	Title _____	SSN/FEIN** _____	% of ownership _____
Name _____	Title _____	SSN/FEIN** _____	% of ownership _____
Name _____	Title _____	SSN/FEIN** _____	% of ownership _____

**Disclosure of your U. S. social security number is mandatory pursuant to Insurance Code section 1666.5, Cal. Civil Code, § 1798.17; Cal. Family Code, § 17520(d); and Federal Privacy Act of 1974, §§7(a) (2) (B) and 7(b). The social security number will be used primarily for purposes of processing your application, including conducting any necessary investigation into your background. If you fail to disclose your social security number, your application will not be reviewed. An individual has a right of access to certain records containing personal information pertaining to that individual. Individuals may obtain information regarding the location of their records by contacting the Bureau Chief, Producer Licensing Bureau, California Department of Insurance by phone (800-967-9331) or by mail, to the following address: 320 Capitol Mall, Sacramento CA 95814-4309.

8. **Controlling Person(s):** (Attach separate sheet if more space is needed)

A "Controlling Person" as defined in section 1668.5 (b) is the following: If you are listing an individual, corporation, partnership, limited liability company, limited partnership, holding company or trust in section #4, then you must identify the Controlling Person or Persons, including the president, chief executive officer, chairman of the board, those people that own 10% or more of the stock and any other person who directly or indirectly possess the power to control the affairs of the business entity.

Name _____ Title _____ SSN/FEIN** _____ % of ownership _____

Name _____ Title _____ SSN/FEIN** _____ % of ownership _____

Name _____ Title _____ SSN/FEIN** _____ % of ownership _____

Name _____ Title _____ SSN/FEIN** _____ % of ownership _____

9. **If Entity is an Organization** (Corporation, General Partnership, Limited Liability Company, Limited Liability Partnership/Limited Partnership, Non-Profit Corporation, or Unincorporated Association), give name and social security numbers of all natural persons who will transact business under the Certificate of Registration. Show relationship of each to the organization (i.e., general partner or employee of partnership; officer or employee of corporation). Attach extra sheet if more space is required.

Name _____ SSN/FEIN** _____

Name _____ SSN/FEIN** _____

10. Are you now, or have you ever been, licensed to transact any type of insurance in this state, or in any other state, or in any province of Canada.

Yes No

11. If your answer to question 10 is "yes", supply the following information (attach extra sheet if necessary).

Type of License	State or Province	Dates		Is license now in force?	
		From	To	<input type="checkbox"/> Yes	<input type="checkbox"/> No
_____	_____	_____	_____		

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Background Questions

If you fail to fully disclose any information that is required or if you make a false statement, your application may be denied.

Federal law (18 U.S.C. 1033) prohibits anyone who has been convicted of a felony involving dishonesty or a breach of trust or who has been convicted of **any** violation of 18 U.S.C. 1033 and 1034 from engaging in the business of insurance unless they have obtained the written consent of the Insurance Commissioner. It is a violation of this statute to engage in the business of insurance without the Commissioner's written consent. Further, it is a criminal offense for any person to willfully employ, or willfully permit, such "prohibited persons" to engage in the business of insurance without the required written consent.

A "Prohibited Person" may be an officer, director or employee of an insurance agency or an insurance company, an agent, solicitor, broker, consultant, third party administrator, managing general agent, or subcontractor representing an insurance agency or insurance company who engages in or transacts the business of insurance. If you have a "Prohibited Person" in your organization that meets this criteria and has been convicted of a felony involving dishonesty or a breach of trust or a violation of 18 U.S.C. 1033 and 1034, then the "Prohibited Person" must obtain written consent **prior to filing this application**.

DO NOT SUBMIT THIS APPLICATION UNTIL THE PROHIBITED PERSON HAS FILED FOR WRITTEN CONSENT FROM THE COMMISSIONER. If they have received consent, a copy of their consent letter must be attached to this application. If you are applying for a non-resident license, attach a copy of the written consent letter issued by their home state. Instructions to apply for the written consent are available on the CDI's Web site at www.insurance.ca.gov.

12. Has the business entity or any of its partners, members, controlling persons, officers, directors, managers, or any shareholders owning 10% or more interest in the business entity, ever been convicted of, or is the business entity or, any partner, member, controlling person officer, director, manager or any shareholders owning 10% or more interest in the business entity currently charged with, committing a crime, whether or not adjudication was withheld? Yes No

"Crime" includes a felony, a misdemeanor or military offense. "Convicted" includes, but is not limited to, having been found guilty by a verdict of a judge or jury, having entered a plea of nolo contendere, no contest, having had any charge expunged, dismissed or plea withdrawn pursuant to Penal Code Section 1203.4, or having been given probation, a suspended sentence or a fine. You may exclude traffic citations and juvenile offenses tried in juvenile court. You should answer "yes" if you have been convicted of a felony or a misdemeanor including driving offenses such as, but not limited to reckless driving, driving under the influence and driving with a suspended license, whether or not you spent any time in jail, and whether or not you believe the conviction has been removed from your record.

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

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

13. Has the business entity or any of its partners, members, controlling persons, officers, directors, managers or any shareholders owning 10% or more interest in the business entity, 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 with original signature identifying the type of license and explaining the circumstances of incident; and
- b. a certified copy of the Notice of Hearing or other document that states the charges and allegations; and,
- c. a certified copy of the official document which demonstrates the resolution of the charges or any final judgment.

14. Has any demand been made or judgment rendered against the business entity or any of its partners, members, controlling persons, officers, directors, managers or any shareholders owning 10% or more interest in the business entity 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," submit a statement summarizing the details of the indebtedness and arrangements for repayment.

15. Has the business entity or any of its partners, members, controlling persons, officers, directors, managers or any shareholders owning 10% or more interest in the business entity, ever 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): _____

16. Has the business entity or any of its partners, members, controlling persons, officers, directors, managers or any shareholders owning 10% or more interest in the business entity, been a party to, or 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 with original signature summarizing the details of each incident; and
- 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.

17. Has the business entity or any of its partners, members, controlling persons, officers, directors, managers or any shareholders owning 10% or more interest in the business entity, 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 with original signature summarizing the details of each incident and explaining why you
- b. copies of all relevant documents.
feel this incident should not prevent you from receiving an insurance license; and,

18. I (we) apply for a Certificate of Registration as an Administrator(s) pursuant to the provisions of Chapter 5A, Part 2, Division 1 of the Insurance Code of the State of California, and I (we) certify (or declare) under penalty of perjury that I (we) have read the foregoing application and know the contents thereof and that each statement therein made is full, true and correct. I (we) understand that pursuant to Sections 1668(h) and 1738 of the California Insurance Code, any false statement may subject my (our) application(s) to denial and any subject my (our) Certificate of Registration to suspension or revocation.

Further, pursuant to Insurance Code Sections 1703 and 1733, I (we) authorize disclosure to the Insurance Commissioner of all financial institution records of any and all fiduciary accounts for the duration of the terms of this Certificate of Registration.

Signature(s) _____, _____

Relationship/Title _____, _____

Executed this ___ day of _____, 20___, at _____

In accordance with Section 1666 of the California Insurance Code, this department is requesting additional information from all applicants for the subject license. Please submit the following items with the attached application. Organizations must complete questions 1 through 9.

1. A statement as to whether your organization is a California corporation, please include a photocopy of your Articles of Incorporation.
2. A list of all current corporate officers, including their complete home address. Please include a statement as to the percentage of stock ownership in the organization, if any.
3. A list of all current directors of the organization, including their complete home address. Please include a statement as to the percentage of stock ownership in the organization, if any.
4. A list of all current stockholders in the organization with complete home address, along with the percentage of stock ownership of 10% or more.
5. A statement as to the number of employees employed by you or your organization. Please include the names of key employees who will assist in performing the tasks of an administrator with a brief statement as to their job assignments. Include an organization chart if it will assist in clarifying the organization structure.
6. A copy of the formal written agreement, required by California Insurance Code Section 1759.1, between you or your organization and the insurers with whom you plan to do business. If your organization will not do business with insurers, explain who will indemnify the insured.
7. A statement as to any bank facility, including complete address and account number, that has been selected in which you or your organization will maintain any fiduciary bank account required under Section 1759.6 of the Code.
8. A statement as to any bank facility, including complete address and account number that has been selected in which you or your organization will maintain any claims payment bank account required under Section 1759.6 of the Code.
9. A statement as to how you plan to conduct your business. Include the types of clients you anticipate will use your services as an administrator and the total number of insureds that you anticipate will be handled by your organization.

NOTICE: INFORMATION COLLECTION AND ACCESS

Section 31(e) of the California Business and Professional Code allows the State Board of Equalization and the Franchise Tax Board to share taxpayer information and requires the licensee to pay his or her state tax obligation. Section 31 also states that the license may be suspended if the state tax obligation is not paid.

Section 1798.17 of the California Civil Code requires the following information to be provided when collecting information from individuals to determine compliance with the group and corporate practice provisions of the law, and to establish positive identification, to match the names of the certified list provided by the Department of Child Support Services to applicants and licensees, and of responding to requests for this information made by child support agencies. Agency: Department of Insurance, Address: 320 Capitol Mall, Sacramento, Ca 95814-4309, Telephone: (800) 967-9331.

The Governor's Executive Order B-22-76 requires the following information to be provided when collecting information from individuals:

AGENCY NAME TITLE OF OFFICIAL RESPONSIBLE FOR INFORMATION MAINTENANCE:
California Department of Insurance Chief, Producer Licensing Bureau

ADDRESS
California Department of Insurance, 320 Capitol Mall, and Sacramento, CA 95814-4309

TELEPHONE NUMBER
(800) 967-9331

AUTHORITY WHICH AUTHORIZES THE MAINTENANCE OF THE INFORMATION
California Insurance Code, Chapters 5, 6, 7, 8 -- Part 2, Division 1

THE CONSEQUENCES, IF ANY, OF NOT PROVIDING ALL OR ANY PART OF THE REQUESTED INFORMATION:
Delay or non-issuance of Certificate of Registration applied for.

THE PRINCIPAL PURPOSES(S) FOR WHICH THE INFORMATION IS TO BE USED:
Evaluation of Certificate of Registration application.

NATURAL PERSONS HAVE THE RIGHT TO REVIEW FILES MAINTAINED ON THEM BY THE DEPARTMENT, UNLESS THE INFORMATION IS EXEMPTED UNDER SECTION 4 OF SAID EXECUTIVE ORDER.

FILING INSTRUCTIONS

Re: "Business Entity type": Corporation- if already incorporated, attach a copy of your Certificate of Good Standing. If corporation has been formed as a result of a merger, submit a copy of your approved merger papers.

Re: "Limited Liability Company" - attach a copy of your approved articles of organization. This documentation must be submitted with your application.

Re: "Business Entity Name": The true business entity name must be entered. Include commas, hyphens, ampersands, etc. This name is subject to disapproval by the Insurance Commissioner.

Re: "Fictitious Name": If you intend to transact insurance in a name other than the true business entity name, enter such fictitious name. This name is subject to disapproval by the Insurance Commissioner.

Re: "Controlling Person": Insurance Code Section 1668.5(b), in part, defines a "controlling person" as a person who possesses the power to direct or cause the direction of the management and policies of the business entity.

Re: "Background Information": If the answer is "yes" to any of these questions, you must submit required documentation.

Re: "Applicant's Certification": Partnership - each partner of the partnership must sign. Corporation Limited Liability Company or Association - an officer having authority to bind the Corporation or Association must sign.

A) Licenses are issued for a two-year term, which begins the date the first license is issued to the business entity and ends the last day of that calendar month two years later. Subsequent licenses are issued for the balance of the established license term.

B) Fees: Filing fees are required for each business entity application submitted,

Direct questions regarding this filing to the Producer Licensing Bureau in Sacramento, (916) 492-3069.

All fees are filing fees and are not refundable, whether or not the application is acted upon.

Mail application with fees to: Department of Insurance, P.O. Box 1139, Sacramento, CA 95812-1139.