



Nevada Division of Insurance

1818 E. College Parkway, Ste 103, Carson City, Nevada 89706 Phone: (775) 687-0700 Fax: (775) 687-0787 Web: doi.nv.gov

Service Contract Provider Application - Renewal

The Certificate of Registration is non-transferable.

Fees are non-refundable.

Please make any corrections to your mailing address or contact information below.

Provider Name:

Current Certificate Number: NV

Initial Certificate Issued:

Mailing Address:

Contact:

Phone: Ext.

Fax:

E-mail:

The following questions **MUST** be answered before your renewal application can be processed.

1. List all aliases or names under which the company conducts business (Doing Business As) in Nevada. Provide supporting documentation filed with the County Clerk of the county in which the company is doing business.

2. Have there been any changes in the executive officers or in the officers responsible for service contract business since your **last** application? Or has an existing executive officer had any change in any of the information previously submitted?

Yes ____ No ____

If yes, please attach a list and include the following information:

1. Name
2. Title
3. Date of Birth
4. Social Security Number
5. Address of Residence

3. Have there been any changes in the percentage of ownership?

Yes ____ No ____

If yes, please attached a list and include the following information:

1. Name
2. Title
3. Date of Birth
4. Social Security Number
5. Address of Residence
6. Percentage of Company Owned

4. Have there been any changes in the administrator or designated a new administrator since your **last** application?

Yes ____ No ____

Current Administrator is listed as:

List any changes to the current administrator **or** list the name, address and phone number of any new administrators designated. Attach additional sheets if necessary.

____ () _____

5. Since the last application, has the applicant or any of the officers listed in question 1 or 2 in the last 10 years:

(a) Been convicted of a felony or any misdemeanor of which an essential element is fraud? Yes ____ No ____

(b) Been insolvent or adjudged a bankrupt? Yes ____ No ____

(c) Been refused a license or registration (including a license or registration as a service contract provider) or had an existing one suspended or revoked by any state or governmental agency or authority? Yes ____ No ____

(d) Been fined or had any administrative actions taken by any state or governmental agency or authority in any matter regarding service contracts? Yes ____ No ____

(e) Other than traffic infractions, are there any past/pending criminal or civil actions, in professional capacity, against any of the applicant's officers or directors? Yes ____ No ____

Note: If any part of Question 4 or 5 is answered "Yes," attach an explanation.

6. In the **last** application, you supplied the following information as proof of your compliance with one of the three options for financial responsibility:

Option ____:

Has there been any change in that information/proof of financial responsibility?

Yes ____ Explain here and attach appropriate documentation for your choice as listed in the table below.

No ____ Attach appropriate documentation for your choice of financial responsibility as highlighted in the table below, to verify that it remains in place.

Service Contract Providers must comply with one of the following:	
Option 1	Purchase a contractual liability insurance policy, which insures the obligations of each service contract the provider issues, sells, or offers for sale. Each Year at Renewal: <u>Submit documentation from the insurer verifying that the policy is still current and in full force.</u> Pursuant to NRS 690C.170(1)(a)(2), the contractual liability policy must contain a provision prohibiting the insurer from terminating the policy until a notice of termination has been mailed or delivered to the Division at least 60 days prior to the termination of the policy.
Option 2	Maintain a reserve account and deposit with the Commissioner security such as a surety bond, securities eligible for deposit pursuant to NRS 682B.030, cash, an irrevocable letter of credit issued by a financial institution approved by the Commissioner, or in any other form prescribed by the Commissioner. The reserve account must be kept separate from the operating accounts of the provider and must be clearly identified as the “ (Provider’s Name) Nevada Service Contracts Funded Reserve Account ” pursuant to NRS 690C.170(1)(b). A provider shall not use any money in a reserve account for any other purpose other than to pay an obligation of the provider under an unexpired service contract (NRS 690C.170(2)). A provider shall maintain the financial security required until both of the following become true: the provider ceases doing business in Nevada and the provider has performed or otherwise satisfied all liabilities and obligations under all unexpired service contracts issued by the provider (NRS 690C.170(3)). Each Year At Renewal: <u>Submit documentation verifying that the security of 40% of unearned gross consideration on all unexpired service contracts sold to Nevada residents.</u> The reserve account shall be maintained exclusively for service contracts in this state. Monthly statements of the reserve account (3 monthly statements) must be submitted to the Division at the end of each calendar quarter.
Option 3	Maintain or be a subsidiary of a parent company that maintains a net worth or stockholders’ equity of at least \$100,000,000. Each Year At Renewal: <u>Submit a copy of the most current 10K or 20F form that was filed with the Securities and Exchange Commission. If you are not required to file those reports with the SEC, provide a copy of the most recently audited financial statement.</u>
Please Note	Pursuant to NRS 690C.170(4), if the certificate of registration of a provider has not expired and the provider fails to maintain the financial security or if the financial security is cancelled or lapses, the provider shall not issue or sell a service contract on or after the effective date of such failure until the provider submits to the Commissioner proof satisfactory to the Commissioner that the provider is in compliance with NRS 690C.170.

7. Please review and agree to the following:

- A. The provider agrees to not use any money in a reserve account other than to pay an obligation of the provider under an unexpired service contract. ☐
- B. The provider agrees to maintain the financial security required. ☐
- C. The provider agrees that if the certificate of registration has not expired and the provider fails to maintain the financial security required, including, without limitation, if the financial security is cancelled or lapses, the provider shall not issue or sell a service contract, until the provider submits to the Commissioner proof satisfactory to the Commissioner that the provider is in compliance with NRS 690C.170. ☐

8. Please select the type of service contracts sold by your company (select all that apply):

Computer/Electronic ☐ Vehicle/Road Assistance ☐ Home Appliance/Home Products ☐
Miscellaneous/Other ☐ If Miscellaneous/Other, please explain: _____

9. Please provide the following information regarding the service contracts you sell.

- A. List the service contract form names and form numbers that you sell in Nevada. Please note that these forms must have been previously filed and approved in Nevada before use. Attach additional sheets if necessary to list all the forms, but you do not need to attach copies of the forms.

- B. List the sales locations where you sell the service contracts. Attach additional sheets if necessary.

If you do not sell your contracts at specific locations, how do you contact the potential customer?

D. If using Financial Security Option 2, complete the following:
Unearned gross considerations* on all unexpired service contracts sold to Nevada residents for the last 8 quarters:

Quarter	Gross Revenue Received from Nevada Residents:	Unearned Gross Considerations	**Security Deposit (10% of Unearned Gross Considerations)	Reserve Account (40% of Unearned Gross Considerations)
Ending:				
Ending:				
Ending:				
Ending:				
Ending:				
Ending:				
Ending:				
Ending:				

*Unearned gross consideration on a service contract is the total consideration for the contract multiplied by the fraction of time left on the contract (e.g., \$1,000 one-year contract with 7 months remaining = $1,000 \times 7 / 12 = 583$)

****This renewal application must include funds if there is an increase to the security deposit as calculated above.**

E. Number of service contracts sold to Nevada residents:

Calendar year: 2015 _____

Calendar year: 2016 _____

F. Gross Revenue received from Nevada residents:

Calendar year: 2015 _____

Calendar year: 2016 _____

G. Claims paid – Claims paid on behalf of Nevada residents:

Calendar year: 2015 \$ _____, _____, _____. ____

Calendar year: 2016 \$ _____, _____, _____. ____

H. Number of customer complaints by Nevada residents:

Calendar year: 2015 _____

Calendar year: 2016 _____

10. How are complaints handled? _____

The applicant certifies that the service contracts issued in this state meet the requirements set forth in NRS 690C and NAC 690C and, under penalty of perjury, (I) or (we) affirm that the statements made in the foregoing renewal application are true and hereby subscribe thereto.

Dated _____, 20____

Name of Service Contract Provider

Telephone No: _____

By

Signature of Officer in full

Signature of Officer in full

Print Name and Title

Print Name and Title

This renewal application must be verified and signed by two of the officers listed/named on file with the Division of Insurance in Question 2 for service contract business.

SUBSCRIBED and SWORN to before me
this _____ day of _____, _____.
Date Month Year

NOTARY PUBLIC