



**Iowa Insurance Division – Securities & Regulated Industries  
1963 Bell Avenue, Suite 100 – Des Moines, IA 50315-1000  
Iowa Service Company License Report (Chapter 523C)**

A “Service Company” means a person who is contractually obligated to perform services pursuant to a service contract. Iowa Code Chapter 523C requires each service company to be licensed by filing this form and paying the fee no later than August 31<sup>st</sup> of each year.

For Period Ending August 31, \_\_\_\_\_ SBS Company Number (If assigned) \_\_\_\_\_

Check the industry(ies) to be covered by this license and the fee:

Initial License (\$500.00 Fee)

License Renewal (\$500.00 Fee)

Motor Vehicle Service Company

Residential Service Company

\_\_\_\_\_  
Legal Name of Service Company DBA Name of Service Company

\_\_\_\_\_  
State of Incorporation Date of Incorporation Federal Employer Identification Number (FEIN)

\_\_\_\_\_  
Business Address City State Zip Code

\_\_\_\_\_  
Mailing Address (if different) City State Zip Code

\_\_\_\_\_  
Location of Service Company books & records for Iowa business City State Zip Code

\_\_\_\_\_  
Business Email Address – will be published on IID website Business Telephone Number – will be published on IID website

\_\_\_\_\_  
Contact Person for Licensing Contact Email Address Contact Phone # Extension

\_\_\_\_\_  
Contact Address City State Zip Code

\_\_\_\_\_  
Contact Person for Consumer Complaints Contact Email Address Contact Phone # Extension

\_\_\_\_\_  
Contact Address City State Zip Code

\_\_\_\_\_  
Contact Person for Contracts Contact Email Address Contact Phone # Extension

\_\_\_\_\_  
Contact Address City State Zip Code

Name of the applicant's registered agent for service of process within Iowa: \_\_\_\_\_

\_\_\_\_\_

Address

\_\_\_\_\_

City

\_\_\_\_\_

State

\_\_\_\_\_

Zip Code

List the names, titles, and addresses of all executive officers and directors. You may also attach a separate listing.

\_\_\_\_\_

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Address

\_\_\_\_\_

City

\_\_\_\_\_

State

\_\_\_\_\_

Zip Code

\_\_\_\_\_

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Address

\_\_\_\_\_

City

\_\_\_\_\_

State

\_\_\_\_\_

Zip Code

\_\_\_\_\_

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Address

\_\_\_\_\_

City

\_\_\_\_\_

State

\_\_\_\_\_

Zip Code

## Financial Responsibility

A licensed service company shall demonstrate financial responsibility by satisfying one of the following:

Please check the box identifying your selected financial responsibility and submit the required supporting documentation.

**Option 1)** All service contracts offered for sale in Iowa are insured under a reimbursement insurance policy (CLIP). Include a copy with this license report. Do not submit financial statements.

**Option 2)** Maintain a funded reserve account for obligations no less than 40% of gross payments received, less claims paid, of any issued and outstanding service contracts in Iowa. Complete and submit Exhibit A with this license report.

Place in trust a financial security deposit in an amount no less than 5% of gross payments received, less claims paid, of any issued and outstanding service contracts in Iowa, but not less than \$25,000. Complete and submit Exhibit A with this license report and the Bond form, if applicable.

Submit a copy of the company's independently audited financial statement prepared in accordance with generally accepted accounting principles.

**Option 3)** Net worth or stockholder's equity of \$100 million or more for the company or together with a parent company.

Submit a copy of the company's independently audited financial statements prepared in accordance with general accepted accounting principles.

If the financial statements are consolidated with the parent company, the service company shall provide a copy of a written agreement by the parent company guaranteeing the obligations of the service company.

Motor Vehicle  
Service Contracts

Residential  
Service Contracts

**Number of Contracts**

- A) Total number of new motor vehicle service contract forms submitted with this license form. \_\_\_\_\_
- B) Total number of motor vehicle service contract forms continued to be used and issued in the state from the provided spreadsheet. \_\_\_\_\_
- C) Total of A & B. \_\_\_\_\_
- D) Motor vehicle service contract fees due - \$35 times "C". \$ \_\_\_\_\_
- E) Total number of new residential service contract forms submitted with this license form. \_\_\_\_\_
- F) Total number of residential service contract forms continued to be used and issued in the state from the provided spreadsheet. \_\_\_\_\_
- G) Total of E & F \_\_\_\_\_

**FOR LICENSE RENEWAL LICENSES – COMPLETE THIS SECTION**

- H) Number of service contracts renewed in Iowa during preceding calendar year. \_\_\_\_\_
- I) Number of service contracts newly issued in Iowa during the preceding calendar year. \_\_\_\_\_
- J) Number of service contracts cancelled in Iowa during the preceding calendar year. \_\_\_\_\_
- K) Number of service contracts expired in Iowa during the preceding calendar year. \_\_\_\_\_
- L) Number of service contracts in effect in Iowa at the end of the preceding calendar year. \_\_\_\_\_
- M) Amount of service contract payments received less refunds paid in Iowa during the preceding calendar year. \$ \_\_\_\_\_ \$ \_\_\_\_\_
- N) Residential Fee Due – 3% times the dollar amount on line M – No less than \$100 and not greater than \$50,000 to be paid. \$ \_\_\_\_\_

The following documents are *required* to be submitted (upload separately) with the Iowa Service Company License Report. Mark the box next to the required to document indicating that the document is being submitted with this license form.

- 1) Certificate of Good Standing from the Iowa Secretary of State dated no more than 30 days prior to the application.
- 2) Service contract spreadsheet provided by the Iowa Insurance Division identifying all service contracts previously submitted to the Iowa Insurance Division to be used or issued in the State of Iowa. (If you are a service company that is licensed to issue or use both, motor vehicle and residential service contracts, two spreadsheets will need to be completed, one for motor vehicle, one for residential.)
- 3) Copy of each new motor vehicle service contract and disclosure checklist, not previously submitted to the Iowa Insurance Division to be used or issued in the state of Iowa.
- 4) Copy of each residential service contract and disclosure checklist, not previously submitted to the Iowa Insurance Division to be used or issued in the state of Iowa.

### **Required Documents based on Financial Responsibility Selected to be Submitted:**

#### **Option 1:**

- 1) Copy of reimbursement insurance policy (CLIP). (No financial statements are required.)

#### **Option 2:**

- 1) Affidavit attesting to a reserve account balance and financial security deposit, completed by the financial institution(s). (Exhibit A) *IF the reserve account and the financial security deposit are held at different financial institutions, Exhibit A needs to be completed for each financial institution.*
- 2) Copy of the Year End Reserve Account Financial Institution Statement.
- 3) Financial Security Deposit Selected – Select the appropriate box and attach a copy of statement or bond.

Cash

Securities of the type eligible for deposit by insurers authorized to transact business in this state.

Certificate of Deposit

A surety bond issued by an authorized surety company. Attached Bond Form must be completed and submitted.

- 4) Copy of company's most recent independently audited financial statements.

#### **Option 3:**

- 1) Copy of company's most recent independently audited financial statements.
- 2) Copy of written agreement with parent company guaranteeing the obligations.

**By submitting this report form, you are attesting that all information and documents submitted are in accordance with Iowa Code 523C and Administrative Rules 191-103.**

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**Print Name and Title of Applicant**

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**Signature of Applicant**

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**Date**

**7/2024**



Iowa Insurance Division -Securities and Regulated Industries – 1963 Bell Avenue, Suite 100 – Des Moines, IA 50315-1000
Iowa Service Company License Report (Chapter 523C) – Exhibit A

IN THE MATTER OF:

Name of Applicant: \_\_\_\_\_

AND

Name of Depository: \_\_\_\_\_

Street Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

AFFIDAVIT – ATTESTING TO RESERVE ACCOUNT AND FINANCIAL SECURITY DEPOSIT
IF THE RESERVE ACCOUNT AND THE FINANCIAL SECURITY DEPOSIT ARE HELD BY DIFFERENT FINANCIAL INSTITUTIONS THE
AFFIDAVIT MUST BE COMPLETED FOR BOTH.

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

I (Name) \_\_\_\_\_ a duly qualified and authorized official of the above-reference Applicant, do hereby state under oath,
the following:

- 1) The above-referenced Depository is an independent Depository and is not affiliated with or under the control of the Applicant or its owner and employees.
2) Check with statement(s) apply:
A) The Applicant maintains a reserve account at the above-referenced Depository.
B) The Applicant maintains a financial security deposit at the above-reference Depository.
3) The gross consideration amount received on service contracts issued and in force by the Applicant in Iowa, is:
\$ \_\_\_\_\_ as of \_\_\_\_\_.
Gross consideration amount received \$ \_\_\_\_\_
X (times) no less than 40% \_\_\_\_\_
(less) claims paid \_\_\_\_\_
= (equals) amount to maintain for a Reserve Account (4A) \$ \_\_\_\_\_
Gross consideration amount received \$ \_\_\_\_\_
X (times) no less than 5% \_\_\_\_\_
(less) claims paid \_\_\_\_\_
= (equals) amount to maintain for a Financial Security Deposit (But not less than \$25,000) (4B) \$ \_\_\_\_\_
4) A) As of the \_\_\_\_\_ day of \_\_\_\_\_ the balance of the reserve account is \$ \_\_\_\_\_
B) As of the \_\_\_\_\_ day of \_\_\_\_\_ the balance of the financial security deposit is \$ \_\_\_\_\_
5) The reserve account, account number(s) \_\_\_\_\_
and the financial security deposit, account number(s) \_\_\_\_\_
are being maintained in accordance with Iowa Code 523C. Attach financial institution statement reflecting balance.
6) If the financial security deposit is a surety bond, initial here \_\_\_\_\_ and attach the surety bond with this Exhibit and the attached Bond Form.

Authorized Official of the Depository

Title of Authorized Official

State of \_\_\_\_\_

County of \_\_\_\_\_



# Insurance Division

Iowa Insurance Division – Securities and Regulated Industries – 1963 Bell Avenue, Suite 100 – Des Moines, IA 50315-1000  
Iowa Service Company License Report (Chapter 523C) – Licensed Service Company’s Bond

KNOW ALL MEN BY THESE PRESENTS THAT \_\_\_\_\_  
AS, PRINCIPAL (hereinafter referred to as “The Principal”), and

\_\_\_\_\_  
AS SURETY (hereinafter referred to as “the Surety”), are held and firmly bound unto the State of Iowa, for the use and benefit of any service contract holder sustaining actionable injury as a result of any breach of the conditions and hereinafter set forth in the penal sum (\$\_\_\_\_\_) dollars of lawful money of the United States, for the payment of which sum we hereby bind ourselves, our successors, and assigns, jointly and severally, firmly by the presents.

The conditions of the above obligations are such that:

WHEREAS, the Principal is required to file a surety bond with the Insurance Commissioner of the State of Iowa in accordance with the provisions of Iowa Code 523C.

WHEREAS, this bond shall be for the benefit of, and subject to recovery thereon, by any Iowa service contract holder sustaining actionable injury due to the failure of the service company to faithfully perform its obligations under a service contract because of insolvency of the service company.

WHEREAS, if the Principal ceases to do business in the State of Iowa and furnishes to the Insurance Commissioner of the State of Iowa satisfactory proof that is has discharged all obligations to contract holder this bond shall be released.

NOW, THEREFORE, if the Principal shall faithfully perform its obligations under all contracts and agreements made by it or its agents, heretofore or hereafter with any purchaser of a service contract in the State of Iowa, in accordance with Chapter 523C of the Code of Iowa, then this obligation shall be void and of no effect.

IT IS FURTHER EXPRESSLY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES HERETO, THAT THIS BOND MAY NOT BE CANCELLED OR RELEASED UNTIL AFTER 60 DAYS NOTICE IN WRITING TO THE INSURANCE COMMISSIONER OF THE STATE OF IOWA.

IN WITNESS WHEREOF, the Principal has hereunto set its hand and seal and the said surety has caused these presents to be signed by its duly authorized officers and its corporate seal to be hereto affixed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Principal: \_\_\_\_\_  
By (Name): \_\_\_\_\_  
Title: \_\_\_\_\_

Surety: \_\_\_\_\_  
By (Name): \_\_\_\_\_  
Title: \_\_\_\_\_

NOTE: If this bond has been subscribed to by an “Attorney in Fact” there must be attached submitted “Power of Attorney” signed by an officer of the surety company.