

# DEPARTMENT OF INSURANCE

## OFFICE OF THE COMMISSIONER

Statutory Authority: 18 Delaware Code, Sections 311, 701 and 4802 and 29 Delaware Code, Section 10113 (18 **Del.C.** §§311, 701 & 4802 & 29 **Del.C.** §10113)  
18 **DE Admin. Code** 2001

### FINAL

### ORDER

#### 2001 Insurance Premium Finance Companies

Regulation 2001, entitled Insurance Premium Finance Companies, sets forth the requirements for applying for and maintaining a Delaware license as an Insurance Premium Finance Company. Subsections 1.1 and 1.2 state that annual license fees are \$300. In the July 3, 2017 amendments to the Department of Insurance's Fee schedule promulgated at 18 **Del.C.** §701, and the corresponding amendment to 18 **Del.C.** §4802, the licensing fee was raised from \$300 to \$500.

To ensure that the regulation need not be updated to conform to future fee increases, if any, the Department is replacing the fee amount with a cross-reference to 18 **Del.C.** §§701 and 4802. The Department is also taking the opportunity to update the regulation to confirm with current Delaware Administrative Code style conventions and to update Department contact information.

These amendments are exempt from the requirement of public notice and comment because they include "amendments to existing regulations to make them consistent with changes in basic law but which do not otherwise alter the substance of the regulations" pursuant to 29 **Del.C.** §10113(b)(5), "nonsubstantive changes in existing regulations to alter style or form or to correct technical errors" pursuant to 29 **Del.C.** §10113(b)(4), and "descriptions of agency organization, operations and procedures for obtaining information" pursuant to 29 **Del.C.** §10113(b)(1).

This order shall be effective 10 days after publication in the *Register of Regulations*.

IT IS SO ORDERED.

This 2<sup>nd</sup> day of July, 2019

Trinidad Navarro  
Commissioner, Delaware Department of Insurance

#### 2001 Insurance Premium Finance Companies

##### 1.0 Application for License

- 1.1 Each application for an original license as an Insurance Premium Finance Company shall be made on Form No. PF-1, entitled "Application for License as an Insurance Premium Finance Company," attached hereto as Exhibit A, and incorporated herein. It shall be accompanied by all required documents and the required annual license fee of ~~\$300 promulgated at 18 **Del.C.** §§701 and 4802~~, which shall not be pro-rated.
- 1.2 Each application for a renewal as an Insurance Premium Finance Company shall be made prior to January 1 of each year on Form No. PF-2, entitled "Application for Renewal License as an Insurance Premium Finance Company," attached hereto as Exhibit B, and incorporated herein. The renewal application shall be accompanied by the renewal fee of ~~\$300 promulgated at 18 **Del.C.** §§701 and 4802~~.

##### 2.0 Biographical Questionnaire

- 2.1 Each application for an original license as an Insurance Premium Finance Company shall be accompanied by Form No. PF-3, entitled "Biographical Questionnaire," attached hereto as Exhibit C and incorporated herein. A separate form shall be completed and executed:
  - 2.1.1 ~~in~~ In the case of a sole proprietor, by the sole proprietor; or
  - 2.1.2 ~~in~~ In the case of a partnership, by each partner; or
  - 2.1.3 ~~in~~ In the case of a corporation, by each officer, director, and owner of more than 10% of the outstanding shares of stock.
- 2.2 Biographical Questionnaires need not be filed with an application for renewal of a license unless changes have taken place in the business organization involving individuals who have not previously filed such questionnaire.

##### 3.0 Display of License

- 3.4 The licensee shall conspicuously display the license issued by the State Insurance Commissioner in the place of business.

#### **4.0 Termination and Transfer of Licenses**

- 4.1 Death of a proprietor shall terminate the license; provided, however, that if notice of such death is furnished to the Commissioner and the Commissioner is satisfied, by examination or otherwise, that the interests of insureds and insurers have been adequately protected, he may issue a temporary license:
- 4.1.1 ~~to~~ To the executor or administrator of the estate of a deceased proprietor; or
- 4.1.2 ~~to~~ To a surviving next of kin of such deceased proprietor if no administrator or executor has been appointed or qualified, but any such license issued shall be revoked upon issuance of a license to an administrator or executor under subsection 4.1.1 of this section regulation.
- 4.2 Death or withdrawal of a partner shall suspend the license if the licensee is a partnership; provided, however, that if notice of such death or withdrawal is provided to the Commissioner within 30 days of the event and the Commissioner is satisfied by examination or otherwise, that the interests of insureds and insurers have been adequately protected, he may reinstate the suspended license.
- 4.3 Licenses are not transferable, except that the withdrawal of a partner from a licensed partnership or the admission of a new partner shall not require a new license for the new partnership provided that the new partnership complies with ~~section~~ Section 4.0 of this regulation.

#### **5.0 Changes in Composition of Licensee**

- 5.4 When a partner retires from a licensed partnership or a new partner is admitted, or when a person ceases to be an officer, director, or 10% stockholder of a licensed corporation or a person becomes an officer, director or 10% stockholder of a licensed corporation, the Commissioner shall, within ten (10) days after the event, be advised of the facts in detail by letter. The letter shall be accompanied by a duly completed Biographical Questionnaire (on Form No. PF-3) of any new partner or any new officer, director or 10% stockholder. Each licensee shall supply such additional information as the Commissioner may request.

#### **6.0 Changes in Condition**

- 6.1 If any licensee or any person who is a partner of a licensee or who is an officer, director, or 10% stockholder of a licensee shall be:
- 6.1.1 ~~arrested~~ Arrested or indicted for or convicted of any crime (other than a misdemeanor resulting from the operation of a motor vehicle); or
- 6.1.2 ~~refused~~ Refused a license or suffers a revocation or suspension of a license as an insurance premium finance company or an insurance agent or agency in any other jurisdiction; or
- 6.1.3 ~~be~~ Be declared bankrupt or otherwise seek the protection of the National Bankruptcy Act or make an assignment for the benefit of creditors;
- 6.1.4 ~~the~~ The Commissioner shall, within ten (10) days after the event, be advised of the facts in detail by letter.

#### **7.0 Separation of Records**

- 7.4 If the licensee engages in any other business, the records relating to the insurance premium finance business shall be kept separate from the records of any other business.

#### **8.0 Preservation of Records**

- 8.4 Every insurance premium finance contract and all documents relating thereto, and copies or form numbers of all documents delivered to an insured, shall be retained so as to be readily available for inspection by the Commissioner at any time. Said records shall be preserved intact for at least three (3) years after making final entry in respect to any premium finance contract and may be maintained and preserved in photographic form.

#### **9.0 Notice to the Insurer**

- 9.4 The licensee shall notify the insurer that a premium finance contract was signed and the premium paid to an agent, agency or broker within twenty (20) days of the date the premium finance contract is accepted by the licensee.

#### **10.0 Description of Insurance Contracts Where Policy Information is not Immediately Known**

- 10.1 In case of an application to the Delaware Automobile Insurance Plan where the policy information is not immediately available, the premium finance contract shall show "Delaware Automobile Insurance Plan" and all descriptive information pertaining to the policy which is known.
- 10.2 In other instances where complete policy information is not immediately available, the premium finance contract shall show all descriptive information pertaining to the policy which is known.

#### **11.0 Filing of Premium Finance Contracts — Deviation for Specific Transactions**

- 11.1 All forms(s) of the premium finance contract as set forth in 18 **Del.C.** §4806 shall be filed with the Commissioner.
- 11.2 Every such filing shall be made not less than 30 days in advance of any such delivery. At the expiration of such 30 days the form so filed shall be effective unless prior thereto it has been accepted for filing or disapproved by order of the Commissioner. Filing of any such form by the Commissioner shall constitute a waiver of any unexpired portion of such waiting period. The Commissioner may extend by not more than an additional 30 days the period within which he may so affirmatively acknowledge or disapprove any such form, by giving notice to the filing party of such extension before expiration of the initial 30-day period. At the expiration of any such period as so extended, and in the absence of such prior acceptance for filing or disapproval, any such form may be placed in use. The Commissioner may at any time, after notice and for cause shown, withdraw any such filing or effectiveness.
- 11.3 An order of the Commissioner disapproving any such form ~~or~~ or withdrawing a previous effectiveness shall state the grounds therefor and the particulars thereof in such detail as reasonable to inform the filing party thereof. Any such withdrawal of a previously effective form shall be operative at expiration of such period, not less than 30 days after the giving of notice of withdrawal, as the Commissioner shall in such notice prescribe.
- 11.4 Appeals from orders of the Commissioner disapproving any such form or withdrawing a previous effectiveness may be taken as provided in 18 **Del.C.** §§327 through 333.
- 11.5 Upon the written application of the licensee, stating his reasons therefor, and after having been approved and filed by the Commissioner, a contract or form deviating from that already on file with the Commissioner may be used for any specific transaction.

#### **12.0 Licensee as Fiduciary**

- ~~12.1~~ All payments less any commissions and fees tendered to a licensee are to be considered fiduciary funds held in trust for the insured and not in trust for the insurance company insofar as unearned premiums, fees and charges are concerned if the same are not directly owed to the licensee.

#### **13.0 Excessive Rates**

- 13.1 The borrower shall not be charged premiums in excess of those filed with the Commissioner.
- 13.2 If a policy is written for the full policy term, i.e., either 6 months or 1 year and a reduced premium results, the borrower must receive full benefit of such reduction in premium.

#### **14.0 Distribution Agreement**

- 44.4 Each loan shall be supported by a Disclosure Statement in conformity with Federal and Delaware Statutes.

#### **15.0 Cancellation Notice Requirement**

- 45.4 Pursuant to the requirements of notice of cancellation to the insured contained herein, all such notices shall be transmitted by certified mail as defined in 18 **Del.C.** §3903(a)(4).

#### **16.0 Service Charge**

- 46.4 The service charge of \$9 per \$100 per year is to be calculated as an add-on charge.

#### **17.0 Prepayment of Debt**

- 47.4 Notwithstanding any provisions of the contract to the contrary, any unpaid balance may be paid at any time, without penalty, and any unearned service charge shall be refunded based on the "Rule of 78's" with the exception that any initial charge will not be refunded and rebates of less than \$1 need not be made.

#### **18.0 Producer's Commission**

- 18.1 The payment of commissions on the sale of insurance policies and the return of unearned commissions upon the cancellation of insurance policies prior to expiration is a matter of agreement or contract between the producer (agent or broker) and the insurer. The insured or licensee is not a party to such agreement and is not obligated or responsible in any way for the payment of earned commissions or for the return of earned commissions. An insurer may not pay or delegate its responsibility for paying commissions to a licensee. If such an attempt is made by an insurer it must be immediately reported to the Commissioner by the licensee. A licensee, in the event of cancellation, shall not accept the return of net unearned premiums or promise to hold the insurer harmless for failure to pay the difference between that and the gross unearned premium.
- 18.2 After an insurance policy is cancelled, 18 Del.C. §4809 mandates that the insurer shall return the gross unearned premium. By remitting a net unearned premium to its producer who forwards same to the licensee, the insurer is in violation of said section. Thus, the insurer has illegally imposed the burden upon the licensee of attempting to collect the balance of the unearned premium from the producer who may not be responsible therefor.
- 18.3 A broker has earned his commission in full when the policy has been issued and the premium paid. Under these circumstances the broker is under no obligation to make any refund of a portion of his commission to the insurer unless the broker has made an express agreement to refund a portion of his commission in the event of cancellation or where the policy is an audit policy, or where the broker has induced cancellation.
- 18.4 The right of a duly appointed agent to retain commissions under like circumstances is dependent upon the terms of the agency contract between himself and the appointing insurer.
- 18.5 The following is the procedure to be employed by insurers for returning gross unearned premiums to a licensee subsequent to cancellation of insurance policies:
- 18.5.1 Whenever a financed insurance contract is cancelled, the insurer shall promptly return whatever unearned premiums are due under the insurance contract to the licensee, either directly or via the agent, agency, or broker placing the insurance, for the account of the insured or insureds; provided, however, that if the insurer elects to return such unearned premiums to the licensee for the account of the insured or insureds via the agent, agency or broker placing such insurance, the insurer shall be directly responsible to the licensee for all unearned premiums due to the licensee under the contract which are not properly returned to the licensee within 90 days of date of the policy cancellation.
- 18.6 All unearned premiums must be handled and transmitted in a reasonable and expeditious manner. Any unreasonable delay by the insurer or producer, even if payment to the licensee is achieved within 90 days of policy cancellation, will be subject to appropriate action by the Commissioner. Any unreasonable delay in transmitting funds due an insured by a licensee will be subject to the sanctions of 18 Del.C. §4804.

## **19.0 Delinquencies and Cancellation Charges**

- 19.1 A premium finance agreement may provide for the payment by the insured of a delinquency charge per installment of at least \$1 but which may not exceed a maximum charge of 5% of the delinquent installment of \$5, whichever is less, for each installment which is in default for a period of 10 days or more. If the default results in the cancellation of any insurance contract listed in the agreement, the agreement may provide for the payment by the insured of a cancellation charge equal to the difference between any delinquency charge imposed in respect to the installment in default as permitted hereinabove and the sum of \$5. No other penalties may be imposed.

## **20.0 Application of Unearned Premiums**

- 20.1 Whenever a financed insurance contract is cancelled, the insurer, on written notice of such cancellation, shall promptly return whatever gross unearned premiums are due under the insurance contract to the licensee, either directly or via the agent, agency or broker placing the insurance, for the account of the insured or insureds.
- 20.2 In the event that the crediting of return premiums to the account of the insured results in a surplus over the amount due from the insured, the licensee may refund such excess to the insured via his insurance agent, agency or broker, provided that no such refund shall be required if it amounts to less than \$1.
- 20.3 When a financed insurance contract is cancelled, the insurer shall promptly file with the licensee and producer a report setting forth an itemization of the gross unearned premiums under such policy, as of cancellation, and the licensee shall promptly file with the agent, agency or broker placing the insurance, a report setting forth an itemization of the unearned service charges under such financed contract. A licensee must accept only gross unearned premiums from the insurer.

## **21.0 Extension or Deferral Charge**

- 21.1 The lender may at the request of the borrower, extend or defer the scheduled due dates of all or any part of any installment or installments, and may restate the amount of the installments and the time schedule therefor. The amount that may be charged to the borrower for such extension or deferral, shall not exceed the equivalent of one percent (1%), per month, simple interest on the amount of the installment, or installments, or part thereof, extended or deferred, for the period of such extension or deferral.
- 21.2 Such period shall not exceed the period from the date when such extended or deferred installment or installments, or part thereof, would have been payable in the absence of such extension or deferral, to the date when such installment or installments, or part thereof, are made payable under the agreement of extension or deferment.
- 21.3 Notwithstanding any prior provisions, a minimum charge of \$1 may be made.

## **22.0 Collection Fee**

- ~~22.1~~ Attorneys' fees for collection as allowed by law, and so included in the evidence of debt and other supporting papers, shall not be charged to the borrower unless the account is actually processed by an attorney not an employee of the lender.

## **23.0 Accounting System Requirements**

- 23.1 The lender shall maintain an adequate accounting system exhibiting all transactions and operations of his business. Further, the records of the assets and liabilities of the lender shall be maintained so as to be available for examination at any time.
- 23.2 The lender shall maintain records in a manner to facilitate auditing of all charges and all credits to individual borrowers.

## **24.0 Minimum Requirements for Books and Records**

- 24.1 Each licensee office shall open and maintain the following books and records. These are the minimum books and records required by the Department and shall be kept on a current basis. For establishing and maintaining these required records, there may be suitable variations to accommodate individual accounting systems, including automated systems, provided the required data is kept on a current basis and is readily available to the Department's Examiners.
  - 24.1.1 Loan Register — This shall be a book (bound or loose leaf) of original entry and permanent records, and shall show the account number, date of loan, name of borrower, service charge and amount of loan. The loans shall be listed in the register in numerical order in each office and all numbers shall be accounted for.
  - 24.1.2 Individual Accounts with Borrowers — A card or ledger sheet shall be kept for each borrower and shall show the name and address of the borrower, the loan number, face amount of loan, date of loan, service charge and the amounts of all other charges, terms of repayment and the actual date of receipt of payment of principal and charges, and shall be kept in such manner as to show at once the balance due on principal. If an error is made in an entry, a line shall be drawn through the improper entry and the correct entry made on the following line. No erasures of bookkeeping entries are to be made on the card or ledger sheet.
  - 24.1.3 File of All Original Paper — All obligations and disclosure forms signed by the borrower and taken in connection with loans made shall bear the loan number and shall be maintained in one envelope or file for each borrower, and their location indicated for the purpose of inspection by the Department.
  - 24.1.4 Cash Book or Equivalent Record — All transactions involving either the receipt or disbursement of any amount whatsoever shall be entered in this record. Details of disbursements to or for account of borrowers shall be itemized, either in the cash book or upon a separate statement kept and maintained in the file of original papers. Separate columns shall be provided for amounts received as payments on principal, and on charges and on any fees that shall be collected. Such fees shall be described and identifiable. The cash book or equivalent record shall be a permanent record of all details of receipts from borrowers, but other receipts and disbursements of the office, at the option of the licensee, may be kept in this cash book or in other acceptable accounting records.
  - 24.1.5 Index of Borrowers, Endorsers, Co-Makers, Etc. - An index of all borrowers, spouses and insurance companies shall be maintained with respect to all persons obligated. Such index cards shall be filed alphabetically. The numbers of all loans to such individuals shall be entered thereon in order as to dates made, loan number, amount loaned, and date of final payment. A separate index file card shall be maintained for each borrower. Husband and wife may be entered on the same card.

## **25.0 Examination Expense**

- 25.1 The expense of an examination of a licensee or of any person connected therewith shall be borne by that company or person. "Person" shall include any management or control of a finance company under contract.
- 25.2 Such company or person examined shall promptly pay the examination expense upon presentation by the Commissioner or his Examiner of a reasonably detailed written account thereof.

**26.0 Annual Report**

- 26.1 Prior to March 1 of each year, each licensee shall furnish to the Commissioner a completed Form No. PF-4 entitled "Annual Report of Insurance Premium Finance Companies," attached hereto as Exhibit D and incorporated herein.

**STATE OF DELAWARE-INSURANCE DEPARTMENT  
Exhibit A**

INSURANCE DEPARTMENT  
STATE OF DELAWARE  
~~841 SILVER LAKE BOULEVARD~~ 1351 WEST NORTH ST., SUITE 101  
DOVER, DE 19904

APPLICATION FOR LICENSE AS AN INSURANCE PREMIUM FINANCE COMPANY

TO THE INSURANCE COMMISSIONER OF THE STATE OF DELAWARE:

Application is hereby made for a license to operate an insurance premium finance company.

Company Name: \_\_\_\_\_

Address at which applicant will conduct business under license: \_\_\_\_\_

Address of principal place of business within State: \_\_\_\_\_

Address at which all books, records, accounts and documents relating to business in this State will be kept:

\_\_\_\_\_

If applicant is a foreign proprietorship, partnership, or corporation, address of principal place of business:

\_\_\_\_\_

Applicant is

- ( ) Individual Proprietor  
( ) Partnership  
( ) Corporation  
( ) Other (Specify)

If applicant is a corporation (Attach Certificate of Incorporation)

State of Incorporation: \_\_\_\_\_

Date of Incorporation: \_\_\_\_\_

If a foreign corporation, name and address of Agent for Service of Process in Delaware:

\_\_\_\_\_

If applicant has engaged previously in the same or a similar business, provide details, including name(s), address(es), and date(s) first commenced: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

State whether applicant is, directly or indirectly, under common ownership, control, or management or is otherwise affiliated or associated with any insurer, or any person, firm or corporation having or exercising control of an insurer.

\_ YES\_ NO

If "yes," supply complete details: \_\_\_\_\_

\_\_\_\_\_

If applicant is a partnership

State whether general partnership or limited partnership: \_\_\_\_\_

Give names and addresses of all partners specifically identifying limited partners, if any:

\_\_\_\_\_

\_\_\_\_\_

If applicant is a corporation, trust or other entity, other than a partnership, of which ownership is manifested by shares. identify each type of shares and state:

Number of shares authorized: \_\_\_\_\_

Number of shares outstanding \_\_\_\_\_

Par Value: \_\_\_\_\_

Give name, residence address, title and number and per cent of shares directly or beneficially owned by every officer and director and every person, firm or corporation owning or controlling 10% or more of the shares of each type: \_\_\_\_\_

NAME AND RESIDENCE ADDRESS TITLE NUMBER OF SHARES (%)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attach current, certified financial statement, which is as of the following dates:

\_\_\_\_\_

In addition to an insurance premium finance company, the following additional business will be conducted at the address of the applicant: \_\_\_\_\_

\_\_\_\_\_

If applicant, or any subsidiary, affiliated, or associated insurance premium finance company, has more than one place of business, give the name and address of each:

\_\_\_\_\_

\_\_\_\_\_

If the appropriate answer is "Yes" to any of the following questions concerning the applicant, manager, any officer, director, owner or beneficial owner of 10% or more of the shares, complete details must be given including name, address, disposition of charges, etc.

Have any of the above:

Applied previously in this State for a license to engage in the business of insurance premium financing?

\_ YES\_ NO

Received a rejection, revocation or suspension of license under laws of this State governing insurance premium or other consumer financing?

\_ YES\_ NO

Received a rejection, revocation or suspension under an insurance premium financing law or regulation, or similar law or regulation in any other State?

\_ YES\_ NO

Received a revocation or suspension of any license, been convicted or entered a plea of guilty, or nolo contendere, with respect to any law or regulation relating to the business of insurance?

\_ YES\_ NO

Been arrested, indicted, convicted, entered a plea of guilty or nolo contendere with respect to a State or Federal offense in this or any other State?

\_ YES\_ NO

Been placed in voluntary or involuntary bankruptcy, receivership, trusteeship, or conservator ship?

\_ YES\_ NO

Do any of the above now hold a license to engage in the business of insurance premium financing or a similar or related business in any State, District or Territory of the United States?

\_ YES\_ NO

Form PF-I Delaware

REGULATION NO. 21-INSURANCE PREMIUM FINANCE COMPANIES

### Exhibit B

INSURANCE DEPARTMENT

STATE OF DELAWARE

~~841 SILVER LAKE BOULEVARD~~ 1351 WEST NORTH ST., SUITE 101

DOVER, DE 19904

### APPLICATION FOR RENEWAL LICENSE AS AN INSURANCE PREMIUM FINANCE COMPANY

TO THE INSURANCE COMMISSIONER OF THE STATE OF DELAWARE:

Licensee's Name: \_\_\_\_\_

Address: \_\_\_\_\_

NOTE: The name and address of the licensee as it appears above shall be the same as it presently appears on your license. If any of this information is incorrect, fill in the correct information in the space provided below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

This is a renewal of license number \_\_\_\_\_, for the year \_\_\_\_\_

If this is a corporation, give name and address: \_\_\_\_\_

Give names of officers:

President \_\_\_\_\_

Secretary \_\_\_\_\_

Treasurer \_\_\_\_\_

If this is a partnership or proprietorship, give names of partners or proprietor:

\_\_\_\_\_  
\_\_\_\_\_

Attached is check in the amount of \$300 for annual license fee. (Check should be made payable to "Insurance Commissioner, State of Delaware.")

Affidavit

County \_\_\_\_\_

State \_\_\_\_\_



I, \_\_\_\_\_ the undersigned, being the  
\_\_\_\_\_  
(Title, if a corporation)

\_\_\_\_\_  
Name of the insurance premium finance company) swear, (or affirm), that to the best of my knowledge and belief, the statements contained in this application, including the accompanying statements (if any), are true and complete.

By \_\_\_\_\_  
Title \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 20

\_\_\_\_\_  
Notary Public

Form PF-2  
Delaware

**Exhibit C**

INSURANCE DEPARTMENT  
STATE OF DELAWARE  
~~841 SILVER LAKE BOULEVARD~~ 1351 WEST NORTH ST., SUITE 101  
DOVER, DE 19904

BIOGRAPHICAL QUESTIONNAIRE FOR PREMIUM FINANCE COMPANIES

Company Name: \_\_\_\_\_

Office Held: \_\_\_\_\_

Individual's Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Place of Birth: \_\_\_\_\_

Current Residential Address: \_\_\_\_\_

Current Business Address: \_\_\_\_\_

Residential Address for Past Five Years: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Education (Beyond High School):

\_\_\_\_\_

Employment History. (Beginning with current employer, trace back complete history. Show dates of employment, name and address of company, position held, and duties.)

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List any other companies which you now serve, or within the past five years have served, as either an officer or director. (List company, position and dates.)

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Have you ever been charged with a criminal violation (other than a traffic offense) at any time? If "yes," provide complete details.

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Have you ever held any other license (except a ~~drivers~~ driver's license)

   YES    NO

If "yes," provide details as to any such license which was ever suspended, revoked, or renewal refused.

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Have you ever been charged by any regulatory agency, whether City, County, State or Federal, with having violated any laws, rules or ~~regulations~~ Has regulations or has any company been so charged, allegedly as a result of any action or conduct on you part?

   YES    NO

If "yes," as to either, submit full details including disposition of charge.

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Date: \_\_\_\_\_ Signature \_\_\_\_\_

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

ss

County \_\_\_\_\_)

On the \_\_\_\_\_ day of \_\_\_\_\_, 49 20, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_ to me known to be the individual described in and who executed the ~~aforegoing~~ foregoing and did make oath in due form of law that the matters and facts contained in the ~~aforegoing~~ foregoing resume are true and correct.

\_\_\_\_\_  
Notary Public

**EXHIBIT D**

INSURANCE DEPARTMENT

STATE OF DELAWARE

841 SILVER LAKE BOULEVARD 1351 WEST NORTH ST., SUITE 101

DOVER, DE 19904

**ANNUAL REPORT OF INSURANCE PREMIUM FINANCE COMPANIES FOR THE YEAR ENDED  
DECEMBER ~~31, 20XX~~ 31, 20\_\_**

DUE ON OR BEFORE MARCH ~~4<sup>th</sup>~~ 1<sup>st</sup>

NOTE: Where insufficient space is provided to set forth the facts adequately, annex a schedule giving the details.

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READ THE INSTRUCTIONS CAREFULLY BEFORE MAKING UP THIS REPORT  
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Schedule A

General

Name of Licensee: \_\_\_\_\_ License # \_\_\_\_\_

Address, Street and City: \_\_\_\_\_

State Whether Corporation, Partnership, Association or Individual: \_\_\_\_\_

Date Licensee Began Business in Delaware: \_\_\_\_\_

Business Other Than Insurance Premium Finance Business Conducted in Same Offices:

\_\_\_\_\_  
Name of Principal Officers at Close of Year Covered by this Report:

President \_\_\_\_\_

Secretary \_\_\_\_\_

Treasurer \_\_\_\_\_

Owner \_\_\_\_\_

Partners \_\_\_\_\_

<b>SCHEDULE B</b> <b>Balance Sheets - As Per Books</b> <b>As at December 31, 20__ and December 31, 20__</b>		
Assets	End of Present Year	End of Previous Year
(7)Loans Receivable		
(8)Cash in Office and in <del>Banks</del> <u>Banks</u>		
(9)Accounts Receivable:		
(A)Parent and/or Affiliated Companies		
(B)Other		
(10)Notes Receivable - Other		
(11) Deferred Charges and Prepaid Expenses		
(12)Fixed Assets (Less Reserve for Depreciation and Amortization		
(13)Other Assets:		
(A)Parent and/or Affiliated Companies		

(B)Other		
(C)All Other Assets		
(14) Total Assets		
LIABILITIES AND CAPITAL	End of Present Year	End of Previous Year
(15) Accounts and Notes Payable:		
(A)Banks		
(B)Due to parent Company and/or Affiliated Companies		
(C)Other		
(16)Bonds		
(17)Other Liabilities:		
(A)Accrued Expenses		
(B)All Other Liabilities		
(18) Expenses Reserves:		
(19) Deferred Income:		
(A)Unearned Interest and Fees - Loans Receivable		
(B)All Other Deferred Income		
(20)Branch Office Capital		
(21)Net Worth (If Proprietorship or <del>Partnership</del> Partnership)		
(22)Capital Stock (if Corporation)		
(23)Paid in Surplus		
(24)Earned Surplus		
(25)Total Liabilities and Capital		

**SCHEDULE C**  
**Statement of Income and Expense**  
**For Period From January 1, 20\_\_ and December 31, 20\_\_**

GROSS INCOME DERIVED FROM INSURANCE PREMIUM FINANCE BUSINESS	End of Present Year	End of Previous Year
(26)Earned Interest Less Refunds		
(27)Earned Fees Less Refunds		
(28)Collection on Loans Previously Charged Off		
(29)All Other Income From Insurance Premium Finance Business (Attach Schedule)		
(30)Total Gross Income Derived from <del>Insurance!</del> Insurance Premium Finance Business (Items 26 to 29)		

EXPENSES OF CONDUCTING INSURANCE PREMIUM FINANCE BUSINESS	End of Present Year	End of Previous Year
(31)Advertising		
(32)Automobile Expense		
(33)Bad Debts, or Reserve for Bad Debts		
(34)Credit and Collection Expense		
(35)Depreciation and Amortization of Fixed Assets		
(36)Donations, Dues and Subscriptions		
(37)Expense, Sundry		
(38)Heat, Light and Water		
(39)Insurance		
(40)Postage and Express		
(41)Legal and Auditing Expense		
(42)Printing, Stationery and Supplies		
(43)Recording Fees - Net		

EXPENSES OF CONDUCTING INSURANCE PREMIUM FINANCE BUSINESS	End of Present Year	End of Previous Year
(44) Rent		
(45) Salaries		
(46) Supervision and Administration (When not Allocated to Other Items)		
(47) Taxes		
(A) License Taxes		
(48) Telephone and Telegraph		
(49) Travel		
(50) Other Expenses of Conducting Business Premium Finance Business (Explain):		
(A)		
(B)		
(51) Total Expenses of conducting Business Premium Finance Business (Items 31 to 50)		
(52) Total Net Earnings Derived From Insurance Premium Finance Business for the Period (Before Deducting Interest on Borrowed Funds and Federal and State Taxes on Income) (Item 30 Less Item 51)		

**SCHEDULE D**  
**Reconciliation of Surplus or Net Earnings**  
**For Period From \_\_\_\_\_, 20\_\_ and \_\_\_\_\_, 20\_\_**

SURPLUS, ADDITIONS AND DEDUCTIONS	End of Present Year	End of Previous Year
(53) Surplus Balance at End of Previous Period, for Books (Item 24)		
ADDITIONS:		
(54) Total Net Earnings Derived From Insurance Premium Finance Business For The Period (Item 52)		
(55) Other Credits to Surplus for the Period (Attach Explanation)		
(56) Total Additions for the Period (Item 54 to 55)		
DEDUCTIONS:		
(57) Federal and State Taxes on Income		
(58) Interest Paid		
(59) Amortization of Financing Cost		
(60) Dividends Paid During the Period		
(61) Other Charges to Surplus for the Period:		
(A) Transfer of Earnings to net Worth or Home Office Control		
(B) All Other Charges		
(62) Total Deductions for the Period (Item 57 to 61)		
(63) Net Additions to Previous Periods Surplus Balance (Item 56 minus Item 62)		
(64) Surplus Balance at End of Present Period - As Per Books (Item 53 Plus Item 63) (This amount should be the same as Item 24)		

AFFIDAVIT

County \_\_\_\_\_  
State \_\_\_\_\_

I, \_\_\_\_\_ the undersigned, being the \_\_\_\_\_  
(Title, if a corporation)

of the \_\_\_\_\_  
(Name of the insurance premium finance company) swear, (or affirm), that to the best of my knowledge and belief, the statements contained in this report, including the accompanying schedules and statements (if any), are true and that the same is a true and complete statement.

By \_\_\_\_\_  
Title \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, ~~49~~ 20\_\_\_\_\_

\_\_\_\_\_  
Notary Public

Form PF-4  
Delaware