

810-5-75-.52 Designated Agent - Dealer, Financial Institution, Pawnshop and Insurance Company Appointments.

(1) The term "Department" as used in this regulation shall mean the Department of Revenue of the State of Alabama.

(2) Every dealer as defined in Section 32-8-2 (2), Code of Alabama 1975, as amended, shall be a designated agent of the Department. A dealer may make application on form MVT 4-1 to become a designated agent of the Department. If the application is approved by the Commissioner of Revenue, the applicant shall enter into a bond with a corporate surety authorized to do business in this state as surety thereon, approved by the Commissioner of Revenue, payable to the State of Alabama in a sum to be determined by the Department, but in no event less than ten thousand dollars (\$10,000), conditioned on the faithful performance of its duties under the Act. (Bond form MVT 4-3 is provided by the Department.)

(3) A financial institution making mortgage loans on motor vehicles or a pawnshop licensed to enter into pawn transactions for motor vehicle certificates of title, legally authorized to do business in Alabama and having a place of business in Alabama, may make application on form MVT 4-2 to become a designated agent of the Department. If the application is approved by the Commissioner of Revenue, the applicant shall enter into a bond with a corporate surety authorized to do business in this state as surety thereon, approved by the Commissioner of Revenue, payable to the State of Alabama in a sum to be determined by the Department, but in no event less than ten thousand dollars (\$10,000), conditioned on the faithful performance of its duties under the Act. (Bond form MVT 4-3 is provided by the Department.)

(4) An insurance company, legally authorized to do business in Alabama and having a place of business in Alabama, may make application on form MVT 4-2 to become a designated agent of the Department. If the application is approved by the Commissioner of Revenue, the applicant shall enter into a bond with a corporate surety authorized to do business in this state as surety thereon, approved by the Commissioner of Revenue, payable to the State of Alabama in a sum to be determined by the Department, but in no event less than ten thousand dollars (\$10,000), conditioned on the faithful performance of its duties under the Act. (Bond form MVT 4-3 is provided by the Department.)

(5) The Department shall not appoint an out of state dealer, financial institution, pawnshop or insurance company as a designated agent of the Department. Designated agents of the Department located outside the State of Alabama that were qualified prior to January 1, 2004, may continue to operate as a designated agent of the Department as long as they comply with the requirements of Chapter 8, Title 32 of the Code of

Alabama 1975, as amended. Should the designated agent license of an out of state designated agent be cancelled, the designated agent cannot be reinstated.

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Authority: Sections 40-2A-7(a)(5), 32-8-3(b)(2) and 32-8-34(c), Code of Alabama 1975

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