

810-5-75-.52 Designated Agent Appointments.

(1) Under the authority of Section 32-8-34, Code of Alabama 1975, the following entities, which are legally authorized to do business in Alabama and having a place of business in Alabama, shall make application to become designated agents of the Department:

- (a) Automobile dealers
- (b) Manufactured home dealers
- (c) Financial Institutions making mortgage loans
- (d) Pawnshops licensed to enter into pawn transactions on motor vehicles
- (e) Insurance companies

(2) The above entities shall make application on form MVT 4-1 to become a designated agent of the Department.

(3) If the application is approved by the Commissioner of Revenue, the applicant shall deliver to the Commissioner a good and sufficient surety bond, executed by the applicant as principal and by a corporate surety company qualified to do business in the State as surety, in the sum of twenty-five thousand dollars (\$25,000). Such bond shall be conditioned upon the faithful performance of its duties as a designated agent under Chapter 8 of Title 32, Code of Alabama 1975. Such bond shall be payable to the commissioner and shall be in favor of any person who shall recover any judgment for any loss as a result of any violation of the conditions of the bond. Bond form MVT 4-3 shall be provided by the Department.

(4) The Department shall not appoint an entity located outside the State of Alabama 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. Should the designated agent license of an out of state designated agent be cancelled, the designated agent cannot be reinstated.

(5) The provisions of this rule will become operative on December 1, 2014.

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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

History: Repealed and New: Filed October 27, 2014, effective December 1, 2014.