

## New Applicants & Existing Licensees

### Non-Insurance Business Entity (NIBE) Collection Agency/Motor Club/Premium Finance Company

It is important to note, any person, firm, corporation or association conducting business, within the State of NC, in any of these areas without a license/permit shall be guilty of a Class I felony. For more information relating to the exact laws and regulations cited in the North Carolina General Statutes, refer to NCGS Chapter 58/Article 70; or Chapter 58/Article 69; or Chapter 58/Article 35.

### All Applicants:

⇒ **What is a NIBE?**

NIBE is an acronym used by the NC Department of Insurance (NCDOI) to classify its group of non-insurance business entities which are comprised of collection agencies, motor clubs, and premium finance companies.

⇒ **What is the North Carolina Licensing Office of PearsonVUE?**

In 2012, PearsonVUE was contracted by NCDOI to perform back-office administrative licensing functions. Once the NC Licensing Office of PearsonVUE has completed a preliminary review of the application, it is subsequently referred to NCDOI for final regulatory review and approval. PearsonVUE charges a processing fee for both new and renewal applications.

⇒ **What is the telephone, fax number and email address at the licensing office?**

**TELEPHONE:** (866) 265-6329 ~ **FAX:** (888) 959-3010 ~ **EMAIL:** northcarolinalicensingoffice@pearson.com

⇒ **Where do I mail payment and/or supporting documents?**

It is important to note that documents/payments sent to any other address run the risk of loss and/or delayed processing.

**ORIGINAL SURETY BONDS (only):**

NC Dept. of Insurance/ASD ~ ATTN: NIBE Team ~ 1204 Mail Service Center ~ Raleigh NC 27699-1204

**US Postal Service (payment & other docs):**

North Carolina, State of DOI ~ P.O. Box 742175 ~ Atlanta GA 30374-2175

**Overnight Delivery (payment & other docs):**

Bank of America Lockbox Services ~ Lockbox 742175 ~ 6000 Feldwood Road ~ College Park GA 30349

⇒ **What are the methods of payment?**

Payments can be made online using a credit card (Visa/MasterCard/Discover/American Express) or check/money order payable to the NC Department of Insurance. Starter checks are not accepted.

⇒ **What is the term of the license/permit?**

July 1st through June 30th of each year

⇒ **How do I access the on-line licensing application and related forms (new or renewal)?**

The link to the North Carolina License Management System (NCLMS) is available on the NCDOI website at [www.ncdoi.com/ASD](http://www.ncdoi.com/ASD). A link is also included in nearly all email correspondence from both NCDOI and the NC Licensing Office of PearsonVUE.

⇒ **Can I submit a paper application?**

Unfortunately not, applications should be completed online. Electronic submissions allow for a more timely review process. Only in cases of extreme emergencies do we allow the submission of a paper application.

⇒ **Can I hand deliver an application to the NC Department of Insurance?**

Unfortunately not, in an attempt to maintain a system of internal control and accountability, we request that all documents be mailed or faxed to the address designated on the application.

⇒ **What if I still have questions?**

Contact the NC Licensing Office of PearsonVUE by email: [northcarolinalicensingoffice@pearson.com](mailto:northcarolinalicensingoffice@pearson.com) -or- call (866) 265-6329.

## New/Initial Applicants:

⇒ **What are the initial application fees? Are they refundable?**

Non-refundable statutory licensing fees for Collection Agencies \$1,048; Motor Clubs \$648 + \$100 per branch; Premium Finance Companies-Type A \$648/Type B \$2,448 + \$100 per branch. Fees listed include the \$48 processing fee. Payments can be made online by credit card or check/money order payable to NC Department of Insurance.

⇒ **Do I need a separate license for each branch office?**

Branch offices of collection agencies are **NOT** allowed to share and/or operate under the same license. Each collection agency location is required to apply and maintain its own individual license. On the other hand, NC General Statutes allow for branch offices of motor clubs and premium finance companies to operate under the same license.

⇒ **For multiple applications, can I submit one (1) set of back-up documents?**

No, each application is required to have its own set of supporting documentation.

⇒ **Is a Personal Questionnaire DOI-5 required in cases of corporate ownership?**

Personal questionnaires are not required for corporate ownership.

⇒ **What defines Domestic -vs- Foreign -vs- Alien domicile status?**

**Domestic** status refers to applicants incorporated in the state of North Carolina. **Foreign** status refers to applicants incorporated within the United States, but outside of NC. **Alien** status refers to applicants incorporated outside of the United States. Alien corporations must be owned or majority controlled ultimately by a parent entity incorporating or organized under the laws of the United States. The determining factor is the location where the company was incorporated.

⇒ **What is a trust account? What if a collection agency doesn't have clients in North Carolina, do they still need one?**

A trust account is defined as a dedicated checking account used only for the purpose of debt collection activities. If a collection agency or debt buyer collects payments, a general trust account is required in all cases. If the agency/debt buyer has NC clients, a 2<sup>nd</sup> separate trust account is required. Only one (1) of the trust account bank statements, either general -or- NC client is required. A trust account is exempt if there are no funds collected; refer to the trust account exemption section of the application.

⇒ **What should be included in sample correspondence to debtors?**

All correspondence being sent to NC debtors should include the legal & DBA name; physical address; payment address; a placeholder for the NC permit number; as well as a receipt for cash/payments.

⇒ **Who can sign on behalf of the applicant?**

Only an authorized owner/officer of the corporation can sign on behalf of the applicant.

⇒ **What is acceptable wording for an "attestation" or "sworn statement"?**

The authorized officer should prepare, sign and date a statement similar to: "I, \_\_\_\_\_, an authorized officer of the applicant certify that the (above/below/attached) information is accurate, true and correct to the best of my knowledge."

⇒ **What is a parent company financial guarantee and when is it required?**

A collection agency applicant has the option of submitting their own financial statements or those of their parent company. The financial performance guarantee is required when the applicant is reliant and/or submits the parent financials instead of their own. The guarantee requires the parent company be responsible for and attest to the financial performance of the applicant.

⇒ **Once I submit the initial application, what happens next?**

Your application will be under the preliminary review process by the North Carolina Licensing Office of PearsonVUE. You will be contacted by email if further clarification and/or additional information is needed. Upon successful completion of the preliminary review, the application will be referred to NCDI for regulatory review. Once the application passes the regulatory review, an email notification of approval and certificate of licensure will be sent to the applicant. The entire process can take anywhere from 4-8 weeks. Typically, the preliminary review process takes 2 weeks, unless there are deficiencies within the application. Once all deficiencies are resolved, the regulatory review process can potentially take another 2-4 weeks.

## Renewals/Existing Licensees:

⇒ **When does the renewal period begin?**

Licensees will be sent a renewal notification email in early-April of each year. The online renewal application will remain open until midnight June 30th. If you don't receive a notification email by the end of April, call the NC Licensing Office of PearsonVUE at (866)-265-6329 or send an email to: [northcarolinalicensingoffice@pearson.com](mailto:northcarolinalicensingoffice@pearson.com). The licensee is 100% responsible for submitting their permit renewal before it expires.

⇒ **What is required to renew my license?**

Submission of a completed electronic renewal application, supporting documentation and full payment of fees.

⇒ **What are the renewal fees and how do I make payment?**

Non-refundable statutory licensing fees for Collection Agencies \$1,038; Motor Clubs \$638+ \$100 per branch; Premium Finance Companies-Type A \$638/Type B \$2,438 + \$100 per branch. Fees listed include the \$38 processing fee. Payments can be made online by credit card or check/money order payable to NC Department of Insurance. Include the remittance invoice and write the license/permit number on the check.

⇒ **How do I update addresses, telephone and/or email addresses?**

During the annual renewal period (April-June), existing licensees can electronically make changes (address/telephone/email) within the NC License Management System (NCLMS). Once the renewal period has ended (June 30th), licensees must submit a written request for changes. The Name/Address Change Request form can be obtained from the NCLMS under "Supplemental Forms." Login using your user id and password. There is no fee associated with these changes.

⇒ **How do I get an updated copy of my license/permit?**

Existing licensees can easily self-print their certificate of license within the NCLMS under 'Printable Documents.' Login using your user id and password. Licensees should wait approximately ten (10) business days after their annual renewal submission before printing an updated license/permit. Updated licenses will no longer be sent by NCDOL or the NC Licensing Office.

⇒ **How do I cancel a license?**

Submit a written request for license cancellation signed by an authorized officer of the licensee. The request should include the name, address, license type, license number and effective date of the cancellation. Collection Agency licensees are subjected to additional procedures outlined in NC General Statute 58-70-80. Information is available on the NCDOL website: [www.ncdoi.com/ASD/ASD\\_Collection\\_Rules\\_Regs.aspx](http://www.ncdoi.com/ASD/ASD_Collection_Rules_Regs.aspx).

⇒ **Are bond continuation certificates/riders accepted?**

Yes, both the continuation certificate and/or rider should reflect the relevant information (i.e. coverage dates, bond amount, name changes, etc.) Collection Agencies should submit a separate continuation certificate/rider for each bond. **All licensees should ensure the bond covers the entire licensing period from July 1st to June 30th.**

⇒ **What is the process for submitting a corporate name change?**

Name changes must be in writing and should be requested using a Name/Address Change Request form along with the submission of back-up documents listed on the form. The change form can be electronically obtained from the NCLMS under "Supplemental Forms." Login using your user id and password.

⇒ **What is the process for reporting a change in ownership?**

Changes in ownership of less than 50% can be reported using an Ownership Change form that can be obtained from the NCLMS under "Supplemental Forms." Login using your user id and password. Licensees with ownership changes of 50% or more must start over by applying for a new license and obtain a new permit number. The old permit number will remain active until, the new permit number is issued.

⇒ **How do I add or delete a branch office?**

Branch offices registered with NCDOL may operate under the same license number as the motor club and/or premium finance company's main office. This does not apply to collection agencies. Branch update forms for motor clubs and premium finance companies can be electronically obtained from the NCLMS under "Supplemental Forms." Login using your user id and password.