



BUREAU OF INSURANCE
AUTOMOBILE CLUB
CHAPTER 3.1 OF TITLE 13.1 OF THE CODE OF VIRGINIA

REQUIREMENTS FOR ORGANIZING AND LICENSING IN VIRGINIA

Prospective applicants should file the following:

- Licensing application for an automobile club
- Affidavit for \$30,000 Surety bond for an automobile club
- Application fee of \$500 made payable to the *Treasurer of Virginia*
- Copy of the Articles of Incorporation or any other organizational documents and amendments
- Copy of the by-laws
- Copy of the most recent audited financial statement, or statements certified with signatures of two officers
- Complete summary of the plan of operation including two years of projected sales and funding methods for the applicant
- [Biographical affidavit](#) for each officer
- Copy of all sales/membership material provided to members and prospective members

Please see [Chapter 3.1 of Title 13.1](#) of the Code of Virginia for further information on Automobile Clubs in Virginia. Applicants should submit the application and direct all questions regarding the requirements for licensing to the following person:

Andy R. Delbridge, Supervisor
Company Licensing and Regulatory Compliance
State Corporation Commission
Virginia Bureau of Insurance
P.O. Box 1157
Richmond, VA 23218
Telephone: (804) 371-9616
Facsimile: (804) 371-9511
Andy.Delbridge@scc.virginia.gov

LICENSING APPLICATION FOR AN AUTOMOBILE CLUB

An Automobile Club must be licensed by the State Corporation Commission/Bureau of Insurance in order to do business in Virginia. To make application to the Bureau of Insurance, all items below must be addressed in an orderly and thorough manner. An incomplete application may be subject to denial. All answers should be printed or typed. If additional space is required to complete any statement, prepare and annex a rider.

The application should be made consistent with [Title 13.1 Chapter 3.1](#) of the Code of Virginia.

The applications must contain original signatures along with a five hundred dollar (\$500) application fee. Checks should be made payable to the “**Treasurer of Virginia.**”

1. State the complete legal name, FEIN#, address, and telephone number of the applicant.

2. State any assumed or trade name(s) under which the applicant operates.

3. If the applicant is to be a Virginia Corporation, it must secure a Certificate of Incorporation from the Clerk’s Office, State Corporation Commission, (804) 371-9733. This may be done by filing Articles of Incorporation and the necessary fees. Information pertaining to this process may be obtained at www.scc.virginia.gov/clk/index.aspx.

If the applicant is not a Virginia Corporation, please indicate the state of domicile: _____ . A copy of the Certification of Incorporation (including a Certificate of Authorization or Compliance) must be attached. A Virginia Certificate of Authority must be obtained prior to licensing by the Bureau of Insurance. The Certificate of Authority (application available online at www.scc.virginia.gov/clk/index.aspx) may be obtained during the tentative approval stage of the application process.

4. The Bureau requires a copy of the Articles of Incorporation and/or any other basic organization document, and all amendments to them, to be submitted.
5. Submit a copy of the applicant's by-laws, rules and regulations or any similar document regulating the conduct of the applicant's internal affairs, along with any amendments as certified by the Corporate Secretary (under corporate seal where appropriate).
6. Submit copies of all literature, insurance certificates, membership cards, emblems, service contracts, etc. now being used or proposed to be used.
7. Submit a copy of the applicant's most recent audited financial statements. If the applicant does not have an audit, a copy of financial statements showing income, disbursements, assets and liabilities must be submitted. The statements must be certified with signatures of two officers.

Date of the Financial Statements: _____

8. Automobile Clubs must obtain and agree to maintain a surety bond in the sum of thirty thousand dollars (\$30,000) with a licensed carrier in Virginia as surety for the faithful performance of its contracts in the State of Virginia.

Name of surety bond carrier: _____

9. Submit a complete summary of the plan of operation including a list of all services, insurance plans, if any, and other membership privileges offered to members. (Show amount of membership fees and services offered at extra cost.)
10. List the name, address, and title of each officer and director, and submit a [Biographical affidavit](#) for each.
11. List the name and address of each stockholder who owns twenty percent or more of any class of the outstanding capital stock or the corporation and the percent, number and class of the shares of stock held in the corporation.

Name	Address	Percent	Number of Shares	Cost

12. List the address where the applicant will make available all relevant books, records, accounts, and documents.

13. What other business, if any, will be conducted on the licensed premises?

14. If the applicant has one or more district or branch offices, franchise motor clubs, subsidiaries or affiliates operating in Virginia, list the complete names and addresses of each place of business.

Name

Address

15. Has the license to engage in the business of an automobile or motor club issued by any other state to the applicant, or to any director, officer or employee of the applicant ever been suspended or revoked? _____.

If yes, please state the name of the licensee, date, and place of suspension or revocation of license and judgment for such suspension or revocation.

16. Has the license to engage in the business of an Automobile or Motor Club ever been refused by any state or political subdivision? _____. If yes, give dates and reasons.

17. Do you own and operate your own garages, towing vehicles, and the like for services to be rendered to members? _____

18. Do you contract with garages, towing companies, and the like for services to be rendered to members? If so, list by city the location where you have made such contacts.

19. If you contract with others for the performance of services, do you pay others on a per unit of services actually rendered? Attach a copy of each form of contract.

20. Do you reimburse members or persons entitled to your Automobile Club services for expenses they incurred for such services they obtained from others? If so, to what extent and under what conditions. Attach claim form(s).

21. What reserves do you maintain to cover your obligations to provide Automobile Club services for persons who have paid considerations in advance?

22. In the event of cancellation of the membership, the member will be reimbursed on _____ basis.

23. Agents of the applicant are paid _____% commission for memberships procured.

Name of corporate applicant

By _____
President

ATTEST: _____
Secretary
(Corporate Seal)

STATE OF _____
COUNTY (CITY) OF _____

On this day personally appeared before me, an officer duly authorized to administer oaths and take _____ acknowledgments, _____ and _____ known to me to be the individuals described in and who executed the foregoing instrument as the president and secretary of the above named _____, a corporation, and severally acknowledged to and before me that they executed such instrument as such president and secretary, respectively, of said corporation, and that the seal affixed to the foregoing instruments is the corporate seal of said corporation, and that it was affixed to said instrument by due and regular corporate authority, and that they read the foregoing instrument and know the contents thereof, and that the same are true and complete.

President

Secretary

Sworn to and subscribed before me on this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

**VIRGINIA STATE CORPORATION COMMISSION
BUREAU OF INSURANCE**

Automobile Club Surety Coverage Certification

As required by the provisions of Title 13.1-400.3 of the Code of Virginia, I hereby certify that _____ (Automobile Club applying for initial licensing or renewal of license) has in full force and effect the following bond coverage with _____, in conjunction with licensure as an Automobile Club in the Commonwealth of Virginia:

- A surety bond in the amount of \$30,000 conditioned to secure the performance of its contracts, issued by an insurer authorized to do business in the Commonwealth of Virginia.

I further certify that such coverage will be maintained in full force and effect with an insurer authorized to do business in the Commonwealth of Virginia throughout the time the above-referenced organization shall do or offer to do the business of an Automobile Club in the Commonwealth of Virginia. I understand that this requirement is subject to further verification by the Bureau at its discretion, and I agree to provide satisfactory evidence of such coverage upon request.

Typed or Printed Name of Authorized Representative

Date

Signature of Authorized Representative of Automobile Club

Federal Tax ID

BOND FOR AUTOMOBILE CLUB

(TO COMPLY WITH SECTION 13.1-400.3 OF THE CODE OF VIRGINIA)

KNOWN ALL MEN BY THESE PRESENTS, That _____
of _____, as Principal, and
_____ a corporation organized and existing
under the laws of the State of _____, and authorized to do the business of the Commonwealth
of Virginia, as Surety are held and firmly bound unto the COMMONWEALTH OF VIRGINIA in the penal
sum of THIRTY THOUSAND DOLLARS (\$30,000) for the payment of which, well and truly to be made,
we and each of us, bind ourselves, our heirs, successors, and assigns, jointly and severally, firmly by
these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the Principal has applied to the State Corporation Commission of the Commonwealth of
Virginia for a license to engage in the business of an Automobile Club pursuant to Chapter 3.1 of Title
13.1 of the Code of Virginia and in accordance with Section 13.1-400.3 thereof, is required to give a
surety bond unto the COMMONWEALTH OF VIRGINIA.

NOW, THEREFORE, the condition of this obligation is such that if the Principal shall be licensed by the
State Corporation Commission to conduct such business and if the Principal shall conduct such business
in full compliance with the provisions of the laws of the Commonwealth of Virginia and rules and
regulations prescribed by the State Corporation Commission pursuant to law pertaining to Automobile
Clubs, then this obligation shall be null and void; otherwise to remain in full force and effect;

CONDITIONED FURTHER, that this bond shall be for the use and benefit of the Commonwealth of
Virginia and for any person having a cause of action against the Principal arising out of breaches of the
above-mentioned laws and regulations; provided, however, that in no event shall the liability of the
Surety to all such persons for all breaches of the conditions of this bond exceed in the aggregate of the
penal sum of this bond.

The Surety may be released from liability for future breaches of the condition of this bond giving (30)
days written notice to the Principal and the Commissioner of Insurance, State Corporation Commission,
Commonwealth of Virginia, of its desire to be released.

IN WITNESS WHEREOF, the said Principal has hereunto set his hand and seal and the said Surety has
caused these presents to be signed by its duly authorized officer or Attorney-in-Fact and its corporate
seal affixed on the day and year written above.

SIGNED, SEALED AND DATED this _____ day of _____, 20_____.

(SEAL)

(PRINCIPAL)

By _____

(SEAL)

(SURETY)

By _____