

**Parental Agreement and Guarantee**

**For Service Contract Providers**

**This parental guarantee is hereby made for a service contract provider of non-vehicle service contracts in satisfaction of the indemnity requirement under RCW 48.110.050(2)**

|  |
| --- |
| **I. Parental Guarantor Basic Information** |
| 1. Provide the exact legal name of the service contract provider’s corporate parent  |
|        |
| 2. Provide the legal address in the state where parent is incorporated  |
|        |
| 3. If different from the legal address, provide the mailing address |
|        |
| 4. Provide the physical address, phone, and email for each person signing the parental  guarantee |
|       |
| 5. Provide the name, mailing address, phone, and email for the person who is the contact for  follow up on this guarantee.  |
|       |

|  |
| --- |
| **II. Service Contract Provider’s Basic Information** |
| 6. Provide the exact legal name of the service contract provider |
|       |
| 7. Provide the WAOIC #, if registered |
|       |
| 8. Provide the legal address in the state where service contract provider is incorporated |
|       |
| 9. If different from the legal address, provide the mailing address |
|       |

|  |
| --- |
| **III. Guarantor & Service Contract Provider (SCP) Statements of Understanding** |
| *Please acknowledge assent to each of the following items. By “wet” initialing each box, the guarantor and service contract provider (SCP) specifically agree*. |
| 10. The guarantor understands that by providing this parental guarantee it is subject to the provisions under [RCW 48.110.120: Commissioner may conduct investigations.](http://app.leg.wa.gov/RCW/default.aspx?cite=48.110.120) | Guarantor: |
| 11. The guarantor and service contract provider understand that the parental guarantee does not relieve the service contract provider from compliance with any of the applicable provisions of Title 48 RCW, and specifically the requirement for the service contract provider to timely notify the Commissioner of any material changes to its registration information, including its financial condition ([RCW 48.110.030: Registration required—Application—Required information—Grounds for refusal—Annual renewal.](http://app.leg.wa.gov/RCW/default.aspx?cite=48.110.030))  | Guarantor: |
| SCP: |
| 12. The guarantor and service contract provider understand that [RCW 48.110.050: Obligations of service contract provider—Limited application.](http://app.leg.wa.gov/RCW/default.aspx?cite=48.110.050) prohibits the sale of service contracts unless required indemnity is in force to assure the faithful performance of the service contract provider. Should the guarantor, at any time, no longer qualify to offer this guarantee, the service contract provider agrees that it will immediately cease issuing contracts and notify the Commissioner. The service contract provider understands that failure to cease issuing contracts until an acceptable form of indemnity is in force will result in a regulatory action. | Guarantor: |
| SCP: |
| 13. The guarantor and service contract provider understand that use of this guarantee does not relieve the service contract provider from being solvent. The service contract provider must continuously maintain a solvent financial condition on a stand-alone basis. Failure to remain solvent will result in regulatory action by the Commissioner as authorized under [RCW 48.110.130: Denial, suspension, or revocation of registration—Immediate suspension without notice or hearing—Fine.](http://app.leg.wa.gov/RCW/default.aspx?cite=48.110.130), such as suspension or revocation. | Guarantor: |
| SCP: |

|  |  |
| --- | --- |
| **IV. General Interrogatory***Answer “yes” or “no” to the following question.* |  |
| 14. Has the guarantor or service contract provider (SCP) sold, transferred, or encumbered any portion of its assets or business, or directly or indirectly pledged its outstanding capital stock? | Guarantor: |
| SCP: |

**Certification: *With knowledge of the penalties for false statements, I certify that*** ***the undersigned, duly authorized to make this parental guarantee on behalf of the service contract provider, hereby swears and affirms that the foregoing statements and information regarding the guarantor and the service contract provider, and the contents of all attachments, are true and correct\*.***

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

 Parental Guarantor Signature

Typed Name

Typed Title

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

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

Sworn before me this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

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

Notary Public. My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Certification: *With knowledge of the penalties for false statements, I certify that*** ***the undersigned, duly authorized to make this parental guarantee on behalf of the service contract provider, hereby swears and affirms that the foregoing statements and information regarding the guarantor and the service contract provider, and the contents of all attachments, are true and correct\*.***

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

 Service Contract Provider Signature

Typed Name

Typed Title

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

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

Sworn before me this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

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

Notary Public. My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***\*In addition to penalties for perjury, RCW 48.110.130 authorizes the Commissioner to deny, suspend, or revoke the registration of a service contract provider if the Commissioner finds that the service contract provider made a material misstatement in its application for registration; or has obtained or attempted to obtain a registration through misrepresentation or fraud.***

**PARENTAL GUARANTEE**

Parental Guarantor:

Service Contract Provider:

The parental guarantor (hereinafter “guarantor”) named above guarantees and agrees to be liable for the full payment and performance when due of the obligations incurred by its wholly-owned subsidiary, the service contract provider named above (hereinafter “provider”), to the full extent that the obligations relate to the service contracts sold in the State of Washington pursuant to the provider’s service contract provider registration.

The parental guarantor hereby further represents and warrants that:

It has net worth in excess of one hundred million U.S. dollars (USD $100,000,000.00); and

This guarantee is the legal, valid, irrevocable, and binding obligation of the guarantor enforceable against guarantor in accordance with its terms and conditions as long as there is in force in the State of Washington any contract or obligation arising from service contracts guaranteed unless guarantor has made arrangements with the Commissioner otherwise; and

The person executing this guarantee on behalf of guarantor is fully empowered to act on behalf of, and bind guarantor hereunder; and

Guarantor agrees that any legal action to enforce this guarantee taken by the Commissioner, if necessary, will be under the jurisdiction of Washington courts.

**Certification: *With knowledge of the penalties for false statements, I certify that*** ***the undersigned, duly authorized to make this parental guarantee on behalf of the provider, hereby swears and affirms that the foregoing statements and information regarding the guarantor and the provider, and the contents of all attachments, are true and correct\*.***

The undersigned executes this guarantee on this day of month, year.

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 Parental Guarantor Signature

 Typed Name

 Typed Title

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

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

Sworn before me this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

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

Notary Public. My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***\*In addition to penalties for perjury, RCW 48.110.130 authorizes the Commissioner to deny, suspend, or revoke the registration of a service contract provider if the Commissioner finds that the service contract provider made a material misstatement in its application for registration; or has obtained or attempted to obtain a registration through misrepresentation or fraud.***