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Registered Agent: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

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Name of Primary Contact Person: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

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Name of Secondary Contact Person: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

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### **ORGANIZATIONAL STRUCTURE**

- Corporation                       Limited Liability Company  
 General Partnership               Limited Partnership               Sole Proprietorship  
 Other (specify) \_\_\_\_\_

1. Submit an organizational chart of the applicant. Include **ANY** parent companies, subsidiaries, affiliates, etc.
2. If applicant is a corporation, provide a copy of company's filed Articles of Incorporation. If other than corporation, provide other appropriate documents to show when and by whom the business was organized.
3. Is the applicant company a part of a group of PEO companies of no more than five (5) companies which are under common control?  
 Yes               No

\*If yes, applicant must file a **Cross Guarantee Form (Form PEO-12)**.

4. Please provide a copy of the relevant certificate issued by the South Carolina Secretary of State demonstrating the applicant's authority to conduct business in South Carolina.

**STATE OF RESIDENCY**

What is your company’s state of residence and/or incorporation? \_\_\_\_\_

List the statute/regulation in your state of residency that allows for limited licensing similar to the law in South Carolina.

1. Attach a copy of your company’s current PEO license or registration from your state of residency.
2. Attach a copy of a letter of good standing from the licensing authority in your state of residency. If your company is not in good standing in your state of residency, submit a letter of explanation along with this application.

- \* Does the applicant maintain an office, sales force, or representatives in South Carolina?  Yes  No
- \* Does the applicant solicit clients that are residents of South Carolina?  Yes  No
- \* Does the applicant company outsource any of the functions related to PEO services provided to client companies, or use the management or consulting services of another entity? If yes, applicant must provide a full explanation of those arrangements, including copies of all agreements for the provision of those services.  Yes  No
- \* How many leased employees does applicant have working in South Carolina? Please provide a list of all leased employees using the *Restricted License Employee List (Form PEO-16)*. \_\_\_\_\_

**SOUTH CAROLINA OPERATIONS**

1. Provide a list of all offices, including branch offices, located in South Carolina:

Check if the Applicant has no South Carolina offices.

Address	Contact Person	Telephone #	E-mail address

**PRIOR OPERATION IN SOUTH CAROLINA**

1. Has the applicant commenced operations in South Carolina prior to obtaining a license?  Yes  No
2. If yes, on what date did applicant commence operations? \_\_\_\_\_
3. If yes, what is dollar amount of applicant’s current gross South Carolina payroll? \_\_\_\_\_

## **CONTROLLING PERSONS, OFFICERS AND DIRECTORS**

Each proposed controlling person not previously licensed in South Carolina must submit a ***Controlling Person Application (Form PEO-03)*** along with a \$100 Application Fee.

All persons who qualify as a controlling person must be listed below (*See* §40-68-10 (4)). Each licensed PEO or PEO Group must have at least one properly licensed controlling person.

Corporations: If the applicant is owned by another entity, list any officers of the parent firm and the ultimate owners (natural persons) in the tables below that qualify as controlling person and attach a full organizational chart (*See* § 40-68-10 (4)).

### **Controlling Persons Based on Ownership:**

Please list the names of all persons or entities who directly or indirectly own, control, hold with the power to vote, or hold proxies representing ten percent (10%) or more of the voting securities of the Applicant. If necessary, attach additional sheet(s) providing the same information requested below.

<b>Full Name</b>	<b>Date of Birth (mm/dd/yyyy)*</b>	<b>% Ownership</b>	<b>SSN*/FEIN</b>

### **Officers, Directors and Controlling Persons Based on Position:**

Please list the names and titles/positions of all officers, directors and any person who is a controlling person based on their position with the Applicant. If necessary, attach additional sheet(s) providing the same information requested below.

<b>Full Name</b>	<b>Date of Birth (mm/dd/yyyy)*</b>	<b>Title/Position</b>	<b>SSN*/FEIN</b>

**\*Compliance Note: The Family Independence Act of 1995 requires the South Carolina Department of Social Services – Child Enforcement Division (Division) to operate a license revocation program for the purpose of enforcing and establishing child support. In accordance with this Act, South Carolina law (§§ 63-17-1010, *et seq.*) requires that all licensing entities submit to the Division licensee data for all new and renewal licenses issued. Therefore, identifying information (i.e., name, social security number and date of birth, etc.) for all controlling persons licensed with this application will be forwarded to the Division upon the issuance of each controlling person’s license. Personal information will not be used for any other purpose and is not subject to disclosure under the South Carolina Freedom of Information Act. South Carolina Code § 30-4-10 *et seq.***

## **APPLICANT BUSINESS HISTORY**

**If any question is answered “Yes”, please attach separate page(s) detailing the circumstances (including any applicable details such as state, license number, dates, etc.)**

1. Have any of the Applicant’s proposed controlling persons been convicted or found guilty of any misdemeanors or felonies (with the exception of minor traffic violations) in any jurisdiction or territory in the United States?  
 Yes       No
2. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons been refused a license, registration, or certification as a PEO, PEO group, or controlling person, or renewal thereof, in any jurisdiction or territory in the United States?  
 Yes       No
3. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons had a license revoked, suspended, or otherwise acted against (including probation, fine, or reprimand) in a disciplinary action in any jurisdiction or territory in the United States?  
 Yes       No
4. Has the Applicant, any of its affiliates (past or present) or any of its proposed controlling persons been involved in or owned an interest in a PEO or PEO group that has been adjudicated bankrupt, filed proceedings under the Bankruptcy Act, or has otherwise closed due to insolvency?  
 Yes       No
5. Are any of the licenses, registrations, or certifications of the Applicant, any of its affiliates (past or present) or any of its proposed controlling persons currently under investigation or currently pending disciplinary action in any jurisdiction or territory in the United States?  
 Yes       No
6. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons ever failed to satisfy any tax liabilities?  
 Yes       No
7. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons ever had a lien or levy placed against it/them?  
 Yes       No
8. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons been the subject of an indictment or a “cease and desist” order in any jurisdiction or territory in the United States?  
 Yes       No
9. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons been the subject of any state or federal government investigation or audit regarding the payment of wages or taxes; the funding or administration of any employee benefit plan or workers’ compensation program; employment practices; licensing or registration; or any other matter arising out of a complaint filed by an employee, client, insurer, regulator or another PEO?  
 Yes       No
10. Has the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons ever been the subject of a governmental investigation?  
 Yes       No

11. Is the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons currently disputing any material obligations to an insurance carrier, benefit administrator or trust, or taxing authority?

Yes       No

12. Is there any litigation or legal proceeding currently pending or threatened against the Applicant, any of its affiliates (past or present), or any of its proposed controlling persons in any jurisdiction or territory in the United States?

Yes       No

13. Is the Applicant, or any of its affiliates (past or present) delinquent, as of the date of application, with respect to any of its obligations of payroll, payroll related taxes, workers' compensation insurance or employee benefits in any jurisdiction or territory in the United States?

Yes       No

**SOUTH CAROLINA CLIENT COMPANIES**

Provide a list of all client companies in South Carolina. This information should be provided using either the *Client Company List (Form PEO-07)* or in a report that you generate provided, however, that all of the information requested in the table below is included in the separate report. Additions or deletions of clients should be reported to the Department within 30 days.

Client Company				
FEIN				
No. of Assigned Employees				
Date Relationship Initiated				
Mailing Address (Client)			Phone No.	
City	State		Zip	
Workers' Comp Carrier			Policy Number	
WC Classification Code				
Health Insurance Carrier			Policy Number	

**TAX COMPLIANCE**

This information is required for all restricted license renewals and for applicants for a new restricted license that have commenced operations prior to obtaining a license.

South Carolina law requires PEO licensees to assume responsibility for the payment of payroll taxes and collection of taxes from payroll on assigned employees. Licensees must demonstrate compliance with both federal and South Carolina law.

**Federal Taxes**

1. Request an account transcript of form 940 using IRS Form 4506-T. Visit <https://www.irs.gov/> to obtain request form 4506-T. Forward the original letter received from the IRS to the Department along with this application.

**State Taxes**

2. Request a Certificate of Tax Compliance from the South Carolina Department of Revenue (SC DOR) for payroll periods ending no earlier than sixty (60) days prior to the date this application is filed (*SCDOR form C-268*). Include the Department as the third party recipient in Section 3 of the request form. Visit <https://dor.sc.gov/> to obtain request form C-268.

**INSURANCE**

1. Provide a completed *Insurance Schedule (Form PEO-11)* showing all current policy information.

**Insurance Benefits**

Are the following insurance benefits provided to any leased employees in the State of South Carolina?

- |                       |                              |                             |
|-----------------------|------------------------------|-----------------------------|
| Workers' Compensation | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Health                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Life                  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Disability            | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Dental                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Are the premiums on all policies you listed on **Form PEO-11** due as of the date of this Application paid in full?

- Yes       No

If the answer to the previous question is NO, are the unpaid amounts in dispute with your insurance carrier?

- Yes       No

If any amounts are in dispute, please list the name of the carrier(s), the policy number(s), the period(s) covered, and the amount(s) in dispute.

**NOTICE**

**MULTIPLE COORDINATED POLICIES.** The South Carolina Department of Insurance has adopted a ruling by the NCCI that requires Professional Employer Organizations (PEOs) in the assigned risk market in South Carolina to operate under Multiple Coordinated Policies (MCP) for workers' compensation insurance coverage. These policies require a PEO to apply for a policy in its own name for direct employees. The rule then requires the PEO to apply for coverage for each of its clients to cover employees leased to those clients. Policies are applied for in the client company name as the insured. The policies are then "coordinated" and the leasing company is billed for premiums with copies sent to client companies. If you are currently operating under a non-multiple coordinated policy, please contact your insurance carrier regarding this ruling. A copy of this ruling is available on our web site at [www.consumer.sc.gov](http://www.consumer.sc.gov).

PEOs that provide workers' compensation insurance to client companies, before executing a service contract and on an annual basis, must conduct a good faith investigation to determine if the client company engages any non-assigned employees, including those considered employees under Title 42, in any part of the client company's trade, business, or occupation. The law also requires that upon a determination that a client company does include non-assigned employees, the service contract must require the client company to secure and maintain workers' compensation insurance (See § 40-68-70 (B)).

Have you conducted such an investigation regarding each of your client companies within the past year?

- Yes       No

South Carolina Code § 40-68-70 (D) requires a PEO to report the information derived from these investigations to its workers' compensation carrier. Have you made such reports in the past year?

- Yes       No

## **NET WORTH COMPLIANCE**

All applicants must demonstrate a net worth of at least \$50,000.00 (*See* § 40-68-40 (E)).

### **Audited Financial Statements**

1. Submit copies of the most recent annual Audited Financial Statements for the two (2) most recent accounting periods preceding the date of this application. Only **audited** financial statements will be accepted.

Financial statements must include: statement of income and retained earnings, balance sheet, statement of changes in financial position (cash flow), and applicable footnotes. The financial statements also must reflect positive working capital and positive tangible net worth.

The most recent statement must be for the annual period ending no earlier than 180 days before the date of this application, and shall be attested to by an independent Certified Public Accountant. If the most recent audited financial statement currently available is dated more than 180 days before the date of this application, the applicant must certify to the Department that there have been no material adverse changes in the financial position of the company since the date of the last financial statements, and shall provide a copy of the next financial statement as soon as it becomes available.

**Unless the audited financial statements are specifically for the named licensee, the licensee must apply for a PEO Group license, complete all forms necessary for a PEO Group license, and pay the license fee for a PEO Group.**

Date of Financial Statement: \_\_\_\_\_

Pursuant to Regulation 28-1000(G), quarterly reports for financial income statements and balance sheets will be due for each quarter (3/31, 6/30, 9/30 and 12/31) within 75 days after the end of each quarter after issuance of a license. In these reports, licensees must demonstrate that premiums for health insurance, life insurance, workers' compensation and other employee benefits have been paid to the proper payee; that working capital is in a positive position, and; that federal, state, and local payroll taxes have been paid as required by the regulations of each taxing authority. Licensees must file these reports using the *Professional Employer Organization Quarterly Report Form (Form PEO-13)*.

## **ADDITIONAL ITEMS REQUIRED**

### **1. Clients Services Agreement**

Submit a copy of the client services agreement (*See* § 40-68-60 and § 40-68-70).

### **2. Employee Letter**

Submit a copy of the Employee Letter (*See* § 40-68-60 and § 40-68-70).

### **3. Worksite Notice**

Submit a copy of the Worksite Notice (*See* § 40-68-60).

### **4. Health Insurance Affidavit (PEO-08) (fully executed)**

*If the licensee does not offer health insurance, attach a statement to that effect and submit with this application.*

### **5. Workers' Comp Affidavit of Insurance (PEO-09) (fully executed)**

### **6. Insurance Certification (PEO-10)**



**AFFIDAVIT OF APPLICANT**

I swear or affirm and certify that I have completed and/or reviewed all information on this form and submitted with this Application, and to the best of my knowledge and belief, all information contained herein is true, correct and complete; and that there are no material omissions of fact which would have a bearing upon the South Carolina Department of Consumer Affairs' decision to grant the requested license. I further certify that I understand that giving false information constitutes cause for denial or revocation of the application and subjects me to criminal prosecution for perjury. I acknowledge that I have a duty and agree to update and correct this information as it changes.

**RELEASE:** By the authorized signature below, the applicant specifically authorizes the release of any information by the South Carolina Employment Security Commission, the South Carolina Department of Revenue, and the Internal Revenue Service to the S.C. Department of Consumer Affairs regarding any payroll tax matters referenced herein, and holds those entities harmless from any consequences of such release. A photocopy of this authorization shall be as valid as the original.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Type or Print your name and Title

SWORN TO AND SUBSCRIBED before me

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

(SEAL)

\_\_\_\_\_  
Notary Public For \_\_\_\_\_

My Commission Expires:  
\_\_\_\_\_

**The completed Application should be submitted to:**

South Carolina Department of Consumer Affairs  
Attn: PEO Licensing

**Mailing Address**  
P.O. Box 5757  
Columbia, SC 29250-5757

**Street Address**  
293 Greystone Blvd., Suite 400  
Columbia, SC 29210

**Do not fax this form. An original, signed and notarized form is required.**

**The South Carolina Freedom of Information Act may require the Department of Consumer Affairs to release this form as a public record; however personal identifying information will be released only if required by law.**