

(3) Issuance of a Certificate of Authority does not indicate approval or acceptance of the terms of any contract, agreement or other document submitted in support of the application. No organization providing motor club services shall in any way represent that its services, payment schedules or terms of membership are approved by the State or any state agency.

C. CLUB REPRESENTATIVES

(1) Club representatives must be registered with the Administrator within 30 days of the date on which they are designated as a club representative. Each representative must submit an application for registration on a form prescribed by the Administrator.

(2) Clubs shall appoint representatives and pay a non-refundable application fee for each representative appointed.

(3) A club representative's Certificate of Registration expires on April 30. The renewal period will be between March 1 and April 30 of each year. Renewal applications shall be made on forms prescribed by the Administrator.

(4) When a club representative's appointment is terminated, the club must notify the Administrator within 30 days of termination on a form prescribed by the Administrator.

Fiscal Impact Statement:

The Department of Consumer Affairs estimates the costs incurred by the State in complying with the proposed regulation will be approximately \$0.

Statement of Rationale:

The department is revising this regulation in order to clarify registration requirements and processes regarding motor club services companies and representatives.

Document No. 4709

DEPARTMENT OF CONSUMER AFFAIRS

CHAPTER 28

Statutory Authority: 1976 Code Sections 37-16-10 et seq.,
Particularly Section 37-16-90

28-1100. Prepaid Legal Services Certificate of Registration

Synopsis:

The department proposes to amend Regulation 28-1100 to clarify regulatory language to provide for licensing applications to be filed using the Department's new online filing system.

Notice of Drafting for the proposed regulation was published in the *State Register* on August 26, 2016. Comments were solicited for consideration in drafting the proposed regulation. Proposed regulation was published in the *State Register* on October 28, 2016.

Instructions:

Amend Regulation 28-1100. (Prepaid Legal Services Certificate of Registration) as printed below.

40 FINAL REGULATIONS

Text:

28-1100. Prepaid Legal Services Certificate of Registration.

A. DEFINITIONS

(1) Definitions shall be those contained in S.C. Code Ann. S. 37-16-10 et seq. (1976 as amended) and the following:

(a) "Administrator" means the officer appointed by the Commission on Consumer Affairs pursuant to Title 37, Chapter 6.

(b) "Representative" means an individual who performs direct selling or direct in-person or electronic solicitation of South Carolina citizens on behalf of a prepaid legal services company.

B. REGISTRATION OF PREPAID LEGAL COMPANY

(1) All persons or entities wishing to offer prepaid legal services to the general public or a segment of the general public in this State must first obtain a Certificate of Registration from the Administrator. Initial applications for the Certificate shall be made on a form prescribed by the Administrator.

(2) Certificates of Registration expire on March 1. The renewal period will be between February 1 and March 1 of each year. Renewal applications shall be made on a form prescribed by the Administrator and must be accompanied by a copy of the company's most recent financial statement certified by two principal officers of the company, or in the case of partnerships or sole proprietorships, by a partner or the proprietor.

C. PREPAID LEGAL REPRESENTATIVES

(1) Prepaid legal representatives must be registered with the Administrator before commencing any sales or solicitation activity in this State. Each representative must submit an application for registration on a form prescribed by the Administrator.

(2) Companies shall appoint representatives and pay a non-refundable fee for each representative appointed.

(3) A prepaid legal representative's Certificate of Registration expires on October 1. The renewal period will be between August 1 and October 1 of each year. Renewal applications shall be made on forms prescribed by the Administrator.

(4) When a prepaid legal representative's appointment is terminated, the company must notify the Administrator within thirty days of termination on a form prescribed by the Administrator.

Fiscal Impact Statement:

The Department of Consumer Affairs estimates the costs incurred by the State in complying with the proposed regulation will be approximately \$0.

Statement of Rationale:

The department is revising this regulation in order to clarify registration requirements and processes regarding prepaid legal services companies and representatives.