



**STATE OF SOUTH CAROLINA
DEPARTMENT OF CONSUMER AFFAIRS**



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

PROFESSIONAL EMPLOYER ORGANIZATIONS
S.C. Code Ann. § 40-68-10 et seq.
www.consumer.sc.gov
(803) 734-4200

Street Address
2221 Devine St. Suite 200
Columbia, SC 29205

**RENEWAL APPLICATION FOR
PROFESSIONAL EMPLOYER ORGANIZATION RESTRICTED LICENSE
(2017-2019 LICENSING PERIOD)**

The Renewal License fee for Restricted Professional Employer Organizations (PEO) is: One Thousand Five Hundred Dollars (\$1,500.00) for each PEO and Three Thousand Dollars (\$3,000.00) for each PEO Group. Please make all checks payable to the **South Carolina Department of Consumer Affairs**.

Pursuant to the provisions of South Carolina Code § 40-68-10 et. seq. (2011) as amended, the undersigned hereby makes the following statements for the purpose of obtaining a Renewal License for the Licensing Period of 2017-2019 to conduct business as a Restricted Professional Employer Organization (PEO) in the State of South Carolina.

Please indicate the type of license requested:

Restricted PEO License Renewal

Restricted PEO Group License Renewal

Name of PEO _____ Date of
or PEO Group: _____ Organization: _____

SC License #: _____ Unemployment
(renewal) _____ Compensation Account#: _____

Federal ID #: _____ State ID #(withholding): _____

Street
Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

Web site: _____

* How many leased employees does applicant have working in South Carolina? Please provide a list of all leased employees using the **Restricted License List of Leased Employees (Form PEO-16)**. _____

Name of Primary
Contact Person:

Business Address:

City:

State:

Zip:

Telephone No.:

Fax No.:

E-Mail Address:

Name of Secondary
Contact Person:

Business Address:

City:

State:

Zip:

Telephone No.:

Fax No.:

E-Mail Address:

Name of Current
South Carolina
Agent for Service
of Process:

Business Address:

City:

State:

Zip:

Telephone No.:

Fax No.:

E-Mail Address:

State of Residency

- * What is your company's state of residence and/or incorporation? _____

- * Attach a copy of your company's current PEO license or certificate from your state of residency.

- * Is your company in good standing in its state of residency? If yes, attach a copy of a letter of good standing from the licensing authority. If no, please explain. Yes No

CONTROLLING PERSONS, OFFICERS AND DIRECTORS

Please list below any **NEW** controlling persons to be licensed with this renewal. If necessary, attach additional sheet(s) providing the same information requested below. Any new controlling person(s) not currently licensed in South Carolina must each submit a **Controlling Person Application (Form PEO-03)**.

NEW Controlling Persons Based on Ownership:

Full Name	Date of Birth (mm-dd-yyyy)	% Ownership	SSN/FEIN

NEW Officers, Directors and Controlling Persons Based on Position:

Full Name	Title/Position	Date of Birth (mm-dd-yyyy)	SSN #

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. Since the approval of your last license, have any of the Applicant's existing or 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. Since the approval of your last license, has either the Applicant or any of its existing or 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. Since the approval of your last license, has either the Applicant or any of its existing or proposed controlling persons had a license revoked, suspended, been the subject of a "cease and desist" order, or had a license otherwise acted against (including probation, fine, or reprimand) in a disciplinary action in any jurisdiction or territory in the United States?

Yes No

4. Since the approval of your last license, has either the Applicant or any of its existing or 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. Since the approval of your last license, has the Applicant or any of its existing or proposed controlling persons had a lien or levy placed against it/them, or failed to satisfy any tax liabilities?

Yes No

6. Since the approval of your last license, has the Applicant or any of its existing or 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

7. Is the Applicant or any of its existing or proposed controlling persons currently disputing any material obligations to an insurance carrier, benefit administrator or trust, or taxing authority?

Yes No

8. Is there any litigation or legal proceeding currently pending against the Applicant or any of its existing or proposed controlling persons in any jurisdiction or territory in the United States?

Yes No

9. Is the Applicant 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

10. Has the structure of your business changed since the last application cycle? If yes, please attach an organizational chart highlighting the changes.

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		
Contact Person						
Mailing Address						
City			State			Zip:
Telephone Number			Fax Number			
Number of Assigned Employees		Date Relationship Initiated		Workers' Compensation Business Classification Code		
Workers' Compensation Carrier/Policy #			Health Insurance Carrier/Policy #			

OTHER INFORMATION

1. Employment Tax Compliance Verification

South Carolina law requires PEO licensees to assume responsibility for the payment of payroll taxes and for collection of taxes from payroll on assigned employees. In order to confirm that this obligation has been satisfied, the Department requires one procedure for federal taxes, and another for South Carolina state taxes.

For federal taxes, applicants for PEO licenses must use IRS Form 4506-T, which allows the IRS to provide a transcript of your tax returns to the Department. Applicants should use the edited and partially completed version of this form available on our website as **Federal Employment Tax Compliance Verification Form PEO-17**.

For South Carolina state taxes, applicants must request a "Certificate of Tax Compliance Letter" from the South Carolina Department of Revenue. **The letters should be requested for payroll periods ending no earlier than sixty (60) days prior to the date of the filing of this application.** Applicants must follow the instructions on Department of Revenue Form C-268 for requesting the Letter. The most current version of the form can be found on our website as **South Carolina Certificate of Tax Compliance Request Form Form PEO-18**.

Applicants should forward the **ORIGINAL** letter from that agency to the Department for inclusion with their application for licensure.

2. 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 |

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

Are the premiums on all policies you listed on the **Insurance Schedule (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.

South Carolina Code § 40-68-70 (B) requires PEOs that provide workers' compensation insurance to client companies, before executing a service contract and on an annual basis, to 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. Have you conducted such an investigation with regard to 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

3. Audited Financial Statements

Applicants must attach copies of the company's most recent Audited Financial Statement. Only **audited** financial statements will be accepted. The statement must be for annual periods ending no earlier than December 31, 2015, 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.

The financial statements must include a 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.

Information supplied regarding net worth is proprietary and confidential and is exempt from disclosure to third parties.

NOTE: All applicants must demonstrate a net worth of at least \$50,000.00. Pursuant to South Carolina Code § 40-68-40 (E), deficiencies in the net worth requirement as demonstrated by the Audited Financial Statements may be satisfied through guarantees, letters of credit, or other security acceptable to the Department in a combined total amount of at least \$50,000.00. A guaranty is not acceptable unless the Applicant submits sufficient evidence to satisfy the Department that the guarantor has adequate resources to satisfy the obligations of the guaranty.

Date of Financial Statement: _____

4. Service Agreement

Please submit a copy of your master service agreement, plus copies of all agreements with client companies which differ from that master agreement in any substantive respect, highlighting the differences, e.g. if any of the PEO's client companies elect to obtain and be responsible for their own workers' compensation or health insurance, the service agreement with that client must clearly demonstrate that intent.

5. Employee Letter

Please submit a copy of your Employee Letter (See S.C. Code Ann. § 40-68-60 and § 40-68-70).

6. Worksite Notice

Please submit a copy of your Worksite Notice (See S.C. Code Ann. § 40-68-60).

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 and Regulation

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

Street Address
2221 Devine St. Suite 200
Columbia, SC 29205

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.