



Introduction and General Information for Submission of Change of Status Applications

General Information

This section provides Agents general information concerning changes affecting an Agency's status and the requirement for Agents to submit change applications.

Refer to Section 35.0 for general information on how to obtain change of status application forms, a description of automated services available for application processing, and a complete listing of application forms available.

The Agent Reporting Agreement (ARA), contained in Section 80 of this handbook, requires that ARC-approved Agents notify ARC of a variety of changes to Agency entities. Section VI of the ARA describes requirements for change of agency name, change of agency location and change of agency officers. Financial and other requirements of the ARA require Agents to provide ARC other status change information in a timely manner to preclude an adverse effect on Agent's status.

Section XX and Attachment G of the ARA describe requirements for change of ownership. Refer to Section 60.11 of this handbook for more detailed information concerning application for change of ownership and ARC processing procedures.

ARC notifies member carriers on a regular basis of a wide variety of Agency changes, including change of ownership and transfer of liability, change in Agency location, trade name, , and other key items which can negatively affect an Agent's status and client services if not reported promptly to ARC.

The Change of Status Application Process

Various applications and attachments may be used by ARC-approved Agents who wish to obtain ARC approval for a change to their status, e.g., location change, office type, reclassification, bank account change, voluntary cancellation, etc. Agency status change applications are further defined in Section 35.2 of this handbook.

Change of Status Applications may be found on ARC's corporate website in the ARC Forms catalog at <https://www.arccorp.com/support/forms-catalog.jsp>.

Applications received by ARC are reviewed and processed in chronological order based on date received. Applications are reviewed for completeness and compliance with the Agent Reporting Agreement and other instructions provided to the Agent as part of the application. Applications containing major errors are returned to the Agent for correction or resubmission.

In some cases applications for change of status may require a site inspection and interviews with key Agency personnel. As all information provided is subject to verification, Agents should be prepared to present such documentation to ARC directly or to the ARC inspector for those applications for which on-site inspections are required.

When an inspection is completed, the results are forwarded to ARC for decision review. If the inspection report reveals discrepancies, the applicant will be asked to clarify or correct them. Each application must be complete before it can be approved.

Upon approval of an application, the appropriate change is made to the Agent record or ARC database and ARC member carriers are notified.

An Agent may withdraw an application anytime prior to ARC approval, provided that the written notice is signed by an owner or officer of the Agent.

Please bear in mind that an important part of ARC's job on behalf of the participating carriers is to assemble and verify a complete profile on all applicants and Agents before approval is rendered. The single greatest delay in processing is caused by applications and attachments submitted with incomplete, inconsistent, and even contradictory information or documentation. The importance of reading and following all instructions carefully and then submitting a complete application cannot be over-stressed. Therefore, providing complete and correct answers on the first submission will help eliminate costly and time-consuming correspondence and other delays.

Commission and any other compensation paid to Agents by carriers depend on what each carrier and each Agent agree upon privately and directly between themselves. ARC has no role in determining the amount or nature of such compensation and will not involve itself in that process or in any dispute about it.

The provision of free or reduced-rate transportation by a carrier to an Agent and its employees is governed by whatever terms, rules, and/or regulations that the carrier establishes. Eligibility requirements are determined solely by the carriers, not by ARC, and all questions regarding those requirements should be directed to the individual carriers.