

(1) The following entities, if legally authorized to do business in Alabama, may apply to become designated agents of the department:

- (a) Financial Institutions.
- (b) Pawnshops licensed to enter into pawn transactions on motor vehicles.
- (c) Insurance companies.
- (d) Towing Companies.
- (e) Manufactured Home Dealers as defined in §32-20-2(1), Code of Ala. 1975.
- (f) Motor Vehicle Dealers as defined in §32-8-2, Code of Ala. 1975.
- (g) Vessel Dealers as defined in §33-5B-2, Code of Ala. 1975.

(2) The Department may appoint third parties (e.g. law firms) as its designated agents under §32-20-22, Code of Ala. 1975, to complete and submit title applications for manufactured homes.

(3) The applicant must provide the department a good and sufficient surety bond, executed by the applicant as principal by a corporate surety company qualified to do business in the state as surety, in a sum provided in §40-12-398, Code of Ala. 1975. The bond shall be conditioned upon the faithful performance of its duties as a designated agent under Chapter 8 or Chapter 20 of Title 32, Code of Ala. 1975. The bond shall be payable to the commissioner and must be in favor of any person who recovers any judgment for any loss as a result of any violation of the conditions of the bond.

(4) Designated agents that qualify under both §32-8-34 and §32-20-22 may have only one department assigned designated agent number. A revocation of designated agent status under §32-8-34 or §32-20-22 shall serve as a revocation under both.

(5) An entity located outside of Alabama, except third parties as authorized under §32-20-22, is prohibited from being appointed as a designated agent of the department. Designated agents of the department located outside of Alabama that were qualified prior to January 1, 2004, may continue to operate as a designated agent of the department until their designated agent status is cancelled or revoked.

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