

INFORMATION & INSTRUCTIONS FOR FILING - ACTIVITY DESK REGISTRATION

Access this form via website at: cca.hawaii.gov/pvl

Each activity desk and branch office of an activity desk must be registered prior to engaging in the business of selling, contracting for, arranging, or advertising that it can or will arrange, activities which are furnished by an activity provider.

"Activity desk" means any sole proprietorship, organization, trust, group, association, partnership, corporation, society, or combination thereof, which for compensation or other consideration, acts or attempts to act as an intermediary to sell, contract for, arrange, or advertise that it can or will arrange, or has arranged, activities which are furnished by an activity provider. This shall not apply to any hotel as defined under section 486K-1, or air carrier as defined by the Federal Aviation Act of 1958 (49 USCS Appx Chapter 1301), for services for which they do not accept consumer moneys for services other than their own.

"Activity provider" means any individual, firm, corporation, association, partnership, or any group of persons, whether incorporated or not, which provides specialized air, land, or sea tour excursions and activities, but does not mean sellers of airline coupons or tickets.

"Principal" means a corporate officer or director, a partner in a partnership, a sole proprietor, or an individual with an ownership interest in the activity desk who shall be a signatory of any client trust account of the activity desk.

If you engage in the business of selling or advertising to sell travel services, you will require a separate Travel Agency registration.

APPLICATION FORM

Complete the application by using the on-line fillable form or print **legibly** in black ink. Answer all questions and sign the application form. Appropriate fees, evidence of establishment of a client trust account or a bond or irrevocable letter of credit must be submitted with the application.

SOCIAL SECURITY NUMBER

Your Social Security Number is used to verify your identity for licensing purposes and for compliance with the below laws. **You must provide your Social Security Number or your application will be deemed deficient and will not be processed further.**

The following laws require that you furnish your Social Security Number to our agency:

FEDERAL LAWS:

42 U.S.C.A. §666(a)(13) requires the Social Security Number of any applicant for a professional license or occupational license be recorded on the application for license; and
If you are licensed health care practitioner, **45 C.F.R., Part 61, Subpart B, §61.7** requires the Social Security Number as part of the mandatory reporting we must do to the Healthcare Integrity and Protection Data Bank (HIPDB), of any final adverse licensing action against a licensed health care practitioner.

HAWAII REVISED STATUTES ("HRS"):

§576D-13(j), HRS requires the Social Security Number of any applicant for a professional license or occupational license be recorded on the application for license; and
§436B-10(4), HRS which states that an applicant for license shall provide the applicant's Social Security Number if the licensing authority is authorized by federal law to require the disclosure (and by the federal cites shown above, we are authorized to require the Social Security Number).

FEES

Attach the appropriate fees. Make check payable to: **COMMERCE & CONSUMER AFFAIRS**. (check must be in U.S. dollars and be from a U.S. financial institution.)

Activity desk applying for registration in an even-numbered year, pay.....	\$215
<i>(Application - \$20* + Registration - \$76 + 2nd year of two-year registration period - \$19 + Compliance Resolution Fund - \$100)</i>	
Activity desk applying for registration in an odd-numbered year, pay.....	\$146
<i>(Application - \$20* + Registration - \$76 + Compliance Resolution Fund - \$50)</i>	

All registrations are subject to renewal on or before **December 31 of each ODD-NUMBERED year.**

*Application fee not refundable.

FEES (cont.)

NOTE: *One of the numerous legal requirements that you must meet in order for your new registration to be issued is the payment of fees as set forth in this application. You may be sent a registration certificate before the check you sent us for your required fees clears your bank. If your check is returned to us unpaid, you will have failed to pay the required registration fee and your registration will not be valid, and you **may not** do business under that registration. Also, a \$25.00 service fee will be charged for checks which are returned by the bank.*

If for any reason you are denied the registration you are applying for, you may be entitled to a hearing as provided by Title 16, Chapter 201, Hawaii Administrative Rules, and/or Chapter 91, Hawaii Revised Statutes. Your written request for a hearing must be directed to the agency that denied your application and must be made within 60 days of notification that your application for a registration has been denied.

**ENTITY
REGISTRATION:
Corporation,
Partnership,
LLC or LLP**

If the applicant for an activity desk is a corporation, partnership, LLC or LLP, we will require the following proof to show that the entity is properly registered with the Business Registration Division (BREG), Dept. of Commerce and Consumer Affairs, State of Hawaii, P.O. Box 40, Honolulu, HI 96810.

Please contact BREG directly by calling (808) 586-2727, or visit their website at: cca.hawaii.gov/breg to order Certificates of Good Standings, forms, etc.)

- If the entity has been registered in this State for LESS THAN ONE (1) YEAR, **submit** a "filed-stamped" copy of the document filed with BREG; or the same certificate mentioned below.
- If the entity has been registered in this State for MORE THAN ONE (1) YEAR, **submit** a current "Certificate of Good Standing".
- All applicants must additionally **submit** BREG documentation listing all officers, partners, managers or members (does not apply to sole proprietorships).

TRADE NAME

If applicant will be using a trade name, submit a current "filed-stamped" copy of the "Application for Registration of Trade Name" approved and issued by the Business Registration Division (BREG). If no trade name paperwork is submitted, license will be issued without the trade name.

BRANCH OFFICE

All activity desk branch offices must be registered prior to their engaging in any activity desk services.

- If a branch office **deposits consumer funds in the same client trust account as the principal office**, then the branch office does not have to obtain its own activity desk license. However, the branch office location must be reported by submitting a letter indicating the name, address, license number and state that the branch office deposits consumer funds in the same client trust account as the principal office or is covered under the bond or irrevocable letter of credit.
- If the branch office **does not deposit consumer funds into the same client trust account as the principal office** then the branch office will have to obtain its own activity desk license by submitting a completed Activity Desk application, fee and supporting documents.

**CLIENT TRUST
ACCOUNT
or**

All activity desks are required to submit evidence of the establishment of a client trust account OR a bond OR an irrevocable letter of credit.

**BOND
or**

OPTION #1: Client Trust Account - Evidence of the establishment of a client trust account (which may be either a checking or savings account) with a federally insured financial institution **located in Hawaii** may take the form of:

**IRREVOCABLE
LETTER OF
CREDIT**

An **original** signed letter from the financial institution or Form AD-05 with the following information:

- 1) Name and address of the financial institution (must be located in Hawaii);
- 2) Name of the account (must be identical to the name on the activity desk registration application);

(CONTINUED ON PAGE 3)

**CLIENT TRUST
ACCOUNT**
or

- 4) "Client Trust Account" designation explicitly stated; and
- 5) Account number.

BOND
or

OR

**IRREVOCABLE
LETTER OF
CREDIT**

A copy of a blank, void check, which bears the name and address of the financial institution, the name of the activity desk, the account number, **and identifies the account as a "Client Trust Account."** (MUST BE BANK IMPRINTED.)

A signatory of the client trust account who is listed as an officer, partner, manager, member with BREG shall be the designated principal.

(cont.)

NOTE: If you have both an Activity Desk registration and a Travel Agency registration, **you must establish and maintain a separate Client Trust Account** for each registration.

OPTION #2: Bond

Bond Form AD-04 is available for download on our website: https://cca.hawaii.gov/pvl/programs/activity/application_publications/

The bond must be issued by a surety authorized to do business in Hawaii, be a performance or guaranty type bond naming the director as obligee to indemnify any consumer who may suffer loss as a result of nonperformance by the activity desk. The bond must provide:

- 1) That the bond may be cancelled by the activity desk only if the activity desk gives **sixty (60) days** prior written notice to the surety or the surety gives **thirty (30) days** prior written notice to the director of cancellation of the bond;
- 2) That the surety may be liable for any claims against the bond for a period of **six months** after expiration or cancellation of the bond provided that:
 - a) The debts were incurred while the bond was in effect; or
 - b) The director notifies the surety of any claims within **ninety (90) days** of discovery of any claims.

The surety is not required to release any money or collateral to the activity desk during the six months after cancellation or expiration of the bond.

OPTION #3: Irrevocable Letter of Credit (ILOC)

Must be issued by a federally insured financial institution authorized to do business in this State to indemnify any consumer who may suffer loss as a result of nonperformance by the activity desk; shall name the director as beneficiary and may provide for automatic extensions for additional annual periods. The ILOC may be cancelled only if:

- 1) The activity desk gives prior written notice by certified mail to the director and to the issuer at least **ninety (90) days** before the expiration date of the ILOC or the date the activity desk intends to cease being effective; or
- 2) The issuer gives prior written notice by certified mail to the director at least **sixty (60) days** before the expiration date. The issuer shall remain liable for any claims against the ILOC for a period of **six months** after expiration or cancellation of the letter provided that:
 - a) The debts were incurred while the letter was in effect; or
 - b) The director notifies the insurer of any claims within ninety days of discovery of any claims.

(CONTINUED ON PAGE 4)

**CLIENT TRUST
ACCOUNT**

The insurer is not required to release any money or collateral to the activity desk during the six months after cancellation or expiration of the ILOC.

or

BOND

The bond or irrevocable letter of credit must be provided for a single bond or single ILOC and must cover the principal office and all branch offices of the activity desk. The amount of coverage upon **initial** application for an Activity Desk main office shall be not less than \$75,000 and not more than \$250,000.

or

**IRREVOCABLE
LETTER OF
CREDIT**

After licensure, on an annual basis, all Activity Desk licensees are required to submit a notarized "Statement of Net Sales Revenue" (form AD-01A) to the DCCA no later than four (4) months before the anniversary date of coverage of the bond or ILOC. Only if the Activity Desk provides coverage of the maximum \$250,000 is there an exemption from the annual reporting requirements.

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The amount of coverage shall be equal to the average monthly net sales revenue of the activity desk for the twelve month period immediately preceding the application date. Net sales means gross sales minus the commission paid to the activity desk. Coverage shall never be less than \$50,000.

If the activity desk does not have a full twelve month period on which to base this amount, the amount shall not be less than the average monthly net sales revenue for the months available, but shall not be less than \$75,000. "Statement of Net Sales Revenue" (form AD-01A) is available on the website.

**DESIGNATED
PRINCIPAL**

All activity desks are required to designate a principal who shall have direct management and supervision of the activity desk, per ACT 61, SLH 2015.

Evidence of the designated principal may be submitted in the following forms:

- 1) Copy of the signature card from the financial institution indicating the designated principal; or
- 2) An original Confirmation of Client Trust Account and Signatory (Form AD-05) signed by the financial institution representative verifying the client trust account and signatory; and
- 3) A list of officers of corporation, partners, managers or members from BREG (does not apply to sole owner).

**SUBMITTING
APPLICATION**

Mail all required items to:

Activity Desk Program
DCCA, PVL Licensing Branch
P.O. Box 3469
Honolulu, HI 96801

OR

Deliver to office location at:

335 Merchant Street, Room 301
Honolulu, HI 96813
Phone: (808) 586-3000

**RELEASE OF
INFORMATION**

If an agency or individual is assisting you with the licensure process, we will not be able to release any information to them unless you provide us with authorization. If you wish to do so, please complete the portion on **Release of Information to Third Party**, sign and date it.

**ABANDONMENT
OF APPLICATION**

Pursuant to HRS §436B-9, your application shall be considered abandoned and will be destroyed, if you fail to complete the license process within one year after filing an application or fail to take and pass the examination after becoming eligible to take the examination.

If an application is deemed abandoned, the applicant shall be required to reapply for licensure and comply with the licensing requirements at the time of the reapplication.

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BIENNIAL RENEWAL

All registrations, regardless of issuance date, **expire on December 31 of each ODD-NUMBERED year** and are subject to renewal on or before the expiration date. Renewal applications are mailed to current registrations about 6 weeks prior to the expiration date. To ensure receipt of the renewal application, keep our office informed of your address.

LAWS AND RULES

To obtain a copy of the laws, Chapter 468M, HRS and rules Chapter 117, HAR send a written request to: *Commerce and Consumer Affairs, P.O. Box 3469, Honolulu, HI 96801*. Chapter 436B, Hawaii Revised Statutes, the Professional and Vocational Licensing Act should be read in conjunction with the above statutes.

The laws and rules are also posted on our website at: cca.hawaii.gov/pvl. Click on "Activity Desk".

UNOFFICIAL CHECKLIST (for applicant reference only)

1. **Signed application and fees**
 - Complete ALL sections of the application form. Make sure all the appropriate boxes are checked/filled.
2. **Designated Principal:**
 - Submit "Principal Designation" form AD-07; **and**
 - Submit documentation from the Business Registration Division (BREG) listing officers, partners, managers, or members (unless applying as a sole proprietorship); **and**
 - Submit either a copy of signature card from bank indicating designated principal **or** form AD-05 "*Confirmation of Client Trust Account and Signatory*"
3. **Client Trust Account, Bond, or Irrevocable Letter of Credit** (submit evidence of one of the three)
 - Option 1: Client Trust Account (3 ways to verify)
 - Verify method #1: Letter from a Hawaii bank (see instructions above for what letter must include); **or**
 - Verify method #2: "*Confirmation of Client Trust Account and Signatory*" form AD-05; **or**
 - Verify method #3: Blank, VOID check (see instructions above for what check must include)
 - All options/forms must be signed by the same designated principal
 - Option 2: Bond
 - Submit form AD-04 "*Bond Form*" & notarize
 - Option 3: Irrevocable Letter of Credit (ILOC)
 - Have your Hawaii bank/financial institution submit an ILOC
 - **Note that after licensure, form AD-01A "Statement of Net Sales Revenue" is due on an annual basis at least 4 months prior to the anniversary date of bond/ILOC coverage**
4. **Proof of Business Registration** (for corporation, partnership, LLC, or LLP only; not needed for sole proprietorship)
 - Proof of BREG registration:
 1. File-stamped copy of document filed with BREG if registered in Hawaii for less than 1 year; **or**
 2. Order a "Certificate of Good Standing" from BREG if registered in Hawaii for more than 1 year
 - Trade Name registration BREG document (if applicable)
 - Refer to the detailed instructions above.
 - All forms can be accessed on our website at: https://cca.hawaii.gov/pvl/programs/activity/application_publications/
 - For Business Registration Documents (Certificate of Good Standing; Officer list; etc.) contact BREG directly: <https://cca.hawaii.gov/breg/> or call (808) 586-2727.

APPLICATION FOR REGISTRATION - ACTIVITY DESK

Access this form via website at: cca.hawaii.gov/pvl
 Read the "Information & Instructions" before completing this form.

		FOR OFFICE USE ONLY	Approved: <input type="checkbox"/> Initials/Date:
		Date Registered:	Reg. No. AD-
Name of Applicant (<u>Sole owner</u> : First-Middle-Last; or give name of corporation, partnership, LLC or LLP):			
Business or Trade Name, if any: (Attach Trade Name Registration)			
Business Location: (Include suite no., city, state & zip code - No P.O. Box)			
Mailing Address, ONLY if different from business location:			Email Address:
Social Security No. (Sole Owner)	Business Phone No. (Days)		Check one box only: <input type="checkbox"/> Main Office <input type="checkbox"/> Branch Office w/separate client trust account
Check evidence of Client Trust Account you are submitting: <input type="checkbox"/> Original bank letter or <input type="checkbox"/> Form AD-05 or <input type="checkbox"/> Copy of check			Check Type of business entity: <input type="checkbox"/> SOLE OWNER <input type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> LLC <input type="checkbox"/> LLP
Check evidence of Signatory: <input type="checkbox"/> Form AD-05 or <input type="checkbox"/> Copy of signature card from financial institution			Provide a list of officers of corporation, partners, managers or members from the Business Registration Division (does not apply to Sole Owner).
OR in lieu of Client Trust Account, check one: <input type="checkbox"/> *Original bond or <input type="checkbox"/> *Irrevocable Letter of Credit			Designated Principal: _____
*For Bond or Irrevocable Letter of Credit - Attach completed Statement of Net Sales Revenue (form AD-01A available on website).			Print Name

The following questions pertain to the applicant and any persons, officers, directors, managements, partners, etc., responsible for the activity desk. Check answers. Give details when required and submit pertinent documents.

- 1) Are you at least 18 years of age? Yes No
- 2) Are you a U.S. citizen, a U.S. national, or an alien authorized to work in the United States? Yes No
- 3) Have you ever used any other name(s)? Yes No
 If so, what name(s)? _____
- 4) Have you ever held an Activity Desk registration? Yes No
 (Type/Lic. No.: _____ Status: _____ State: _____)
- 5) Have you ever held any other license/registration? Yes No
 (Type/Lic. No.: _____ Status: _____ State: _____)
- 6) Have you ever had any license/registration suspended, revoked, or otherwise subject to disciplinary action? Yes No
- 7) Have you ever been employed by any business whose license/registration was suspended, revoked or otherwise subject to investigative action? Yes No
- 8) Have you ever had or are there any pending lawsuits, judgments, tax liens, or any other liens against you? Yes No
 (If "Yes" to questions 6, 7, or 8, provide details on a separate sheet and submit pertinent documents.)
- 9) Have you ever been convicted of a crime in any jurisdiction that has not been annulled or expunged? Yes No
 (If "Yes", attach court documentation on the date, place, violation of each conviction and fulfillment of conditions.)

(CONTINUED ON PAGE 2)

AD-01 0924R	Appl..... 670..... \$20	1/2 Renewal..... 672..... \$19	
	Reg..... 671..... \$76	Service Fee..... BCF..... \$25	
	CRF..... 677..... \$50/\$100		

Print Name of Applicant: _____

Date: _____

Affidavit of Applicant:

I hereby certify that the statements, answers and representations made in this application and in the documents submitted are true and correct. I understand that any misrepresentation is grounds for refusal or subsequent revocation of my registration and is a misdemeanor (Section 710-1017, Section 436B-19, Hawaii Revised Statutes and Chapter 16-117-48, Hawaii Administrative Rules). I further certify that I have read, understand, and will abide by the provisions of Chapter 468M, Hawaii Revised Statutes, and Chapter 117, Hawaii Administrative Rules.

Signature of Applicant

Date

Title

IF APPLICATION IS FOR A CORPORATION, PARTNERSHIP, LLC OR LLP, THIS SECTION MUST BE COMPLETED.

OFFICERS OF CORPORATION, PARTNERS, MANAGERS OR MEMBERS	NAME (First-Middle-Last)	ADDRESS (Include zip code)
	President, Partner, Manager or Member	<u>Present Residence</u> Address
Social Security No.	<u>Present Business</u> Address	
Vice-President, Partner, Manager or Member	<u>Present Residence</u> Address	
Social Security No.	<u>Present Business</u> Address	
Secretary, Partner, Manager or Member	<u>Present Residence</u> Address	
Social Security No.	<u>Present Business</u> Address	
Treasurer, Partner, Manager or Member	<u>Present Residence</u> Address	
Social Security No.	<u>Present Business</u> Address	

Release of Information to Third Party:

To assist me in the licensing process, I authorize DCCA's staff to release any and all information regarding my application (including but not limited to, application status) to the following third party:

Print Name of Individual who is assisting you: _____

Name of Organization: _____

Signature of Applicant

Date

ACTIVITY DESKS PROGRAM
DCCA/PVL Licensing Branch
P.O. Box 3469
Honolulu, Hawaii 96801

Confirmation of Client Trust Account and Signatory

This verification form is to designate and confirm the existence of the activity desks' client trust account, number and signatory.

To the Applicant: Please print legibly and have the information verified by a representative of the financial institution. Attach this form to your application or the financial institution may send directly to the Activity Desk Program.

Name of Applicant (Sole owner or name of corporation, partnership, LLC or LLP):

Client Trust Account No.: _____

Signatory Name: _____

To the Financial Institution: Please confirm the existence of the activity desks' client trust account, number and signatory.

I hereby affirm that the above named applicant is the owner of the client trust account and the signatory is an authorized signer on the aforementioned account.

Authorized Signature

Date

Title

Name and Address of Financial Institution:

**ACTIVITY DESKS PROGRAM
PRINCIPAL DESIGNATION**

Access this form via website at: cca.hawaii.gov/pvl

Please complete and submit this form when naming the designated principal.

"Principal" means a corporate officer or director, a partner in a partnership, a sole proprietor, or an individual with an ownership interest in the activity desk who shall be a signatory of any client trust account of the activity desk.

Complete and submit this form with appropriate evidence.

Evidence of the designated principal may be submitted in the following forms:

- 1) Copy of the signature card indicating the designated principal; or
- 2) An original signed letter by the financial institution verifying the signatory on the client trust account (Form AD-05); AND
- 3) List of officers of a corporation, partners, managers or members as filed with the Business Registration Division.

Activity Desk Name: _____

License No.: _____

Name of Designated Principal: _____

Effective Date: _____

Authorized Signature

Print Name

Date

Mail completed form and evidence to:

Activity Desks Program
DCCA, PVL Licensing Branch
P. O. Box 3469
Honolulu, HI 96801

Deliver to office location at:

Activity Desks Program
DCCA, PVL Licensing Branch
335 Merchant Street, Room 301
Honolulu, HI 96813

Phone #: (808) 586-3000

This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at (808) 586-3000 to submit your request.