

533C.401 Relationship between licensee and authorized delegate.

1. In this section, "*remit*" means to make direct payments of money to a licensee or its representative authorized to receive money or to deposit money in a bank in an account specified by the licensee.
2. A contract between a licensee and an authorized delegate must require the authorized delegate to operate in full compliance with this chapter. The licensee shall furnish in a record to each authorized delegate policies and procedures for the operation of the money services business.
3. An authorized delegate shall remit all money owing to the licensee in accordance with the terms of the contract between the licensee and the authorized delegate.
4. If a license is suspended or revoked or a licensee does not renew its license, the superintendent shall notify all authorized delegates of the licensee whose names are in a record filed with the superintendent of the suspension, revocation, or nonrenewal. After notice is sent or publication is made, an authorized delegate shall immediately cease to provide money services as a delegate of the licensee.
5. An authorized delegate shall not provide money services outside the scope of activity permissible under the contract between the authorized delegate and the licensee, except activity in which the authorized delegate is licensed to engage under article 2 or 3. An authorized delegate of a licensee holds in trust for the benefit of the licensee all money net of fees received from money transmission.
6. A person operating under a written contract with a licensee as required under subsection 2 shall not be deemed to be conducting unauthorized money services because the licensee has failed to properly designate the person as an authorized delegate under this chapter provided that the person is otherwise operating in full compliance with this chapter.

2003 Acts, ch 96, §14, 42