



# STATE OF KANSAS OFFICE OF THE STATE BANK COMMISSIONER

## APPLICATION TO ENGAGE IN THE MONEY TRANSMITTER'S BUSINESS IN THE STATE OF KANSAS Pursuant to K.S.A. 9-508 et seq.

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[Full legal name of applicant]

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[Street address]

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[City, State, Zip Code]

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[Telephone and fax numbers]

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[Name of person to contact regarding this application]

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[Address, telephone and fax numbers, if different from above]

A completed original application should be submitted to:

Dana S. Hampton, Director of Corporate Activities  
Office of the State Bank Commissioner  
Jayhawk Tower, Suite 300  
700 S.W. Jackson Street  
Topeka, Kansas 66603-3796

A remittance of \$100 plus \$10 for each agent thereof to the State Bank Commissioner is required, pursuant to Kansas Administrative Regulation 17-22-1, for authority to engage in the money transmitter business. It should be understood that any additional cost of on-site examinations or investigations in connection with this application will be the responsibility of the applicant.

The application, subject to limitations imposed by federal or state statutes, is available to members of the public.

If the applicant is of the opinion that disclosure of commercial or personal financial information would likely result in substantial harm to the competitive position of the applicant, or that disclosure of information of a personal nature would result in a clearly unwarranted invasion of personal privacy, confidential treatment of such information may be requested.

Information for which confidential treatment is requested should be (1) specifically identified in the public portion of the application (by reference to the confidential section), (2) separately bound, and (3) labeled confidential.

The Office of the State Bank Commissioner interprets the term "money transmitting" to include, but not be limited to, transferring funds on behalf of the public by any and all means including, but not limited to, transfers within this country or to locations abroad by wire, check, draft, electronic means, or facsimile.

A license is not required for banks, building & loan associations, savings and loan associations, savings banks, or credit unions, organized under the laws of this state, another state or the government of the United States. A license is also not required for activity that is part of the lawful practice of law, bookkeeping, accounting, or real estate sales or brokerage, or as an incidental and necessary part of any lawful business activity.

Pursuant to K.S.A. 9-512, any person who violates the law regarding money transmitters shall be guilty of a severity level 9, nonperson felony. Each transaction and each day of any such offense shall be considered a separate offense. In addition, the unlawful transmission of money may subject the person to Federal prosecution under 18 U.S.C. § 1960.

Each licensee is subject to Kansas unclaimed property laws and should have procedures in place to comply with K.S.A. 58-3934 et seq.

Please provide the following information. (Separate page(s) should be attached where necessary.) It should be understood that the Commissioner may request additional information, if deemed necessary.

## **ORGANIZATION**

1. What is the nature of the applicant organization? (corporation, sole proprietorship, partnership, etc.)
2. If the organization is incorporated, what is the location of the corporation? Provide a copy of the Articles of Incorporation, as filed with the home state.

If not incorporated in the State of Kansas, provide a copy of the filing with the Kansas Secretary of State, indicating the organization is authorized to conduct business in the state.

3. Identify the type of money transmission activity to be conducted (mark all that apply):

Checks	Money Orders	Travelers Checks
Drafts	Stored Value	Wire Transfers
Other (explain):		

4. Provide a copy of the company's business plan and describe highlights of the plan. The plan must include: the method and types of activities and operations; the proposed location of operations and outlets in Kansas; and the anticipated growth in volume and in number of transactions at the end of the first two years of operations in Kansas.

If activities include issuing stored value cards or similar products, explain how the program will work. Include details about loading, reloading and activation of the cards.

5. Provide a list of directors and senior officers along with their biographies. Also, provide a list of shareholders who own more than 10% of the company's outstanding stock.
6. Provide information as to whether the applicant and/or any of the applicant's directors, senior officers, partners, or shareholders who own more than 10%, have been refused a bond or have been indicted or convicted of any crime, other than a traffic violation.
7. Provide a list of the names and business addresses of proposed selling agents of the applicant operating in Kansas.
8. Provide a list of states in which the company is currently licensed to do business. Include the license date, business activities conducted, and if applicable, the trade name of the company.
9. Has a license been suspended, revoked, or refused/denied in any other state? If so, provide details on a separate sheet.
10. Have enforcement actions been issued against the applicant in any other state? If so, provide details on a separate sheet.
11. Describe procedures in place to check money transmission names with names from the Office of Foreign Assets Control lists.
12. Has the company registered as a "money services business" with the U.S. Department of Treasury?      Yes                      No                      Not Applicable  
If yes, provide a copy of the company's acknowledgment letter from the IRS-Detroit Computing Center.

## **FINANCIAL INFORMATION**

Pursuant to K.S.A. 9-509(b)(1), the requested audited financial information must be certified to by an owner, or a partner, or an officer of the corporation or other entity. The net worth of the applicant must be \$250,000 or more at all times. Each licensee shall maintain, at all times, permissible investments having an aggregate market value, of not less than the aggregate amount of all outstanding payment instruments issued or sold by the licensee. Audited financial statements are to be filed with the Commissioner on an annual basis and the Commissioner may require such filing at more frequent intervals.

1. Provide audited (prepared by an independent CPA) financial statements of the applicant, including balance sheet, statement of income and statement of stockholder's equity, for the two most recently completed fiscal or calendar years.
2. Provide the most recent un-audited interim financial statements prepared for the applicant, dated no more than 90 days from the date of application.

## **SECURITY DEPOSIT/BONDING**

1. Provide evidence that cash or securities have been deposited with the State Treasurer, or a bank in Kansas approved by the Commissioner, in an amount not less than \$200,000. Upon the basis of the impaired financial condition of the licensee, the Commissioner may increase the amount of cash or securities required up to a maximum of \$500,000.

In lieu of a cash or securities deposit, the applicant may give a surety bond in an amount equal to that required for the deposit of cash or securities, in a form satisfactory to the Commissioner and issued by a company authorized to do business in this state. Such bond shall be payable to the Kansas Office of the State Bank Commissioner and be filed with the Commissioner. An optional bond form is attached for your use.

If a surety bond is used, the following should be included with evidence of bonding:

1. The original bond document
2. Certificate of power of attorney dated on or before the effective date of the bond
3. Identification of all signatures (names of signatures should also be printed)

The surety on the bond shall have the right to cancel such bond upon giving 30 days notice to the Commissioner and thereafter shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

The Commissioner, or any aggrieved party, may enforce claims against such deposit of cash or securities, or surety bond.

STATE OF \_\_\_\_\_ )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

I certify under penalty of perjury under the laws of the State of Kansas that this application and attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Date)

\_\_\_\_\_  
(Signature]

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Notary Public

[Stamp] My Commission Expires: \_\_\_\_\_