



MARK PARKINSON, Governor

OFFICE OF THE STATE BANK COMMISSIONER

J. THOMAS THULL, Bank Commissioner

IMPORTANT INFORMATION

All Supervised Lender Applicants:

Enclosed are your Kansas renewal application forms and instructions. Please review this letter and accompanying materials carefully.

Beginning with this renewal period, a License fee will be assessed on all Supervised Lenders in addition to new or renewal application fees. This license fee will be based on the volume of your Kansas loans during the preceding license year. The fee will be calculated and due each license year and will vary depending upon your company's level of Kansas activity and the budget requirements of the OSBC Consumer and Mortgage Lending Division. All licensed companies under the supervision of the Consumer and Mortgage Lending Division will be assessed a license fee.

As many of you are aware, the overall fees charged companies by the Consumer and Mortgage Lending Division to license and conduct business in Kansas have been very low for a number of years. The Division was able to maintain that exceptionally low fee structure primarily as a result of two factors. First, a rapid expansion in volume of companies licensing over the past ten years created a large funding stream. The recent economic downturn has however, at least temporarily, slowed that funding stream. Second, through careful budgeting and management of resources, the Division was able to build some surplus funds intended to offset or lessen the need for potential future fee increases. However, over the past several years the Kansas legislature has made the difficult decision to "sweep" surplus funds from our agency and others for use in other areas of state government, thereby eliminating that surplus. As a result, our fees must be increased to better reflect the actual cost of regulation and maintain a viable regulatory structure. Every effort is being made to distribute those costs fairly and appropriately across the spectrum of licensees.

If you have additional questions or concerns about these issues, please contact our office.