

STATE OF KANSAS
OFFICE OF THE STATE BANK COMMISSIONER
CONSUMER AND MORTGAGE LENDING DIVISION
700 SW Jackson St., Suite 300
Topeka, Kansas 66603-3796
785-296-2266 Fax: 785-296-6037

Kansas Credit Services Organization **Instructions for Application of Registration**

Pursuant to K.S.A. Supp. 50-1116 et seq. and amendments thereto, the Kansas Credit Services Organization Act, a **Credit Services Organization Registration** is required for any person that engages in, or holds out to the public as willing to engage in, the business of debt management services for a fee, compensation or gain, or in the expectation of a fee, compensation or gain.

Debt Management Services means (1) receiving or offering to receive funds from a consumer for the purpose of distributing the funds among such consumer's creditors in full or partial payment of such consumer's debt; (2) improving or offering to improve a consumer's credit record, history or rating; or, (3) negotiating or offering to negotiate to defer or reduce a consumer's obligations with respect to credit extended by others.

Visit our website at www.osbckansas.org to review the Kansas Credit Services Organization Act. As a registrant, you will be responsible for familiarizing yourself with the Act to ensure compliance. If you need assistance, please call our office.

Complete the following forms and return with the applicable fees to the Kansas Office of the State Bank Commissioner (OSBC). Incomplete or illegible applications will not be accepted and will be returned to the applicant. Please print or type the application information. To ensure your application is complete, please use the checklist included in the application. Failure to file a complete application may result in the delay or denial of your application.

Criminal Background Check: Individuals listed in Question #9 of the application must complete fingerprint cards and return the cards with the application and applicable fees. To request fingerprint cards, fill out the Fingerprint Card Request Form (Form CSO-4) and submit it to this agency. Blank fingerprint cards will be mailed along with instructions.

Surety Bond: A surety bond in the initial amount of \$25,000 must accompany each Credit Services Organization Registration application. The approved Surety Bond Form (Form CSO-2) included in the application must be used. The name of applicant on the bond must match exactly the name of your organization as stated on the Articles of Incorporation or Articles of Organization.

Fees: **All fees are nonrefundable and must accompany the application before processing will begin. All forms (Form CSO-1, CSO-2, CSO-3, CSO-4, CSO-5 & CSO-6) referred to in the following application are attached to the back of the application.**

- **Application Fee - \$400** Registrations expire annually on June 30. Renewal notices will be mailed in April prior to expiration. Current renewal fees are \$150 per registration, due by June 1 each year.
- **Fingerprint Processing Fee - \$48 per Individual** Each Credit Services Organization application must include completed fingerprint cards and \$48 for every individual listed in Question #9 of the application. This fee will cover the processing of the fingerprint cards by the state and federal bureaus of investigation.

Amendments: Requested changes to a certificate of registration during a calendar year must be submitted at least 15 days prior to a name or address change. Upon processing, a new certificate will be issued reflecting the change.

Make Checks Payable to: OFFICE OF THE STATE BANK COMMISSIONER
Mail to: 700 SW Jackson St., Suite 300
Topeka, Kansas 66603-3796



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KANSAS CREDIT SERVICES ORGANIZATION APPLICATION FOR REGISTRATION

1. Name of Credit Services Organization (applicant): _____ Federal Tax Identification No. _____

 (Legal name under which business is conducted) (Type or print)

2. Trade name (d/b/a), if applicable*: _____

***Note: d/b/a's cannot contain words such as Company, Corporation, Incorporated, Co., Inc., Corp., LTD, LLC, or LLP. If you have further questions please contact the Office of the State Bank Commissioner.**

3. Applicant's contact person: _____
 (Name) (Phone Number)

4. Credit Services Organization Phone # (_____) _____ Fax # (_____) _____

Website Address: _____

5. Principal business address: _____
 (Street address)

 (City) (State) (Zip code)

6. Mailing address for **all** correspondence with your company: (Do not leave blank)

 (Street) (City) (State) (Zip code)

7. For examination purposes: Where are the records for your Kansas consumers retained?
 (Please mark one answer)

_____ Principal business address
 _____ Other (please explain in detail) _____

8. Structure of your Company: (Please mark one)

_____ Sole Proprietorship
 _____ Partnership _____ Limited _____ General **(Attach a copy of agreement)**
 _____ Corporation; List state and date of incorporation _____
(Attach a certified copy of the Articles of Incorporation)
 _____ Limited Liability Company; List state and date of organization _____
(Attach a certified copy of the Articles of Organization)

9. Provide names, titles, and percentage owned of every owner of 10% or more interest in the applicant, and every director, member, partner and executive officer of the applicant: (Attach additional pages if necessary) **Every individual listed below must complete a separate Confidential Background Information Consent Form (Form CSO-1) and a Fingerprint Card. Fax a completed Fingerprint Card Request Form (Form CSO-4) to this agency and fingerprint cards with instructions will be mailed to the applicant.**

Name	Title	Percentage of Ownership
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		

10. Have any of the individuals identified in question #9 ever:

- a) had any administrative or judicial judgments filed against them;
- b) been the subject of any tax liens or other liens of any nature; or
- c) filed for personal or business related bankruptcy?

_____ No _____ Yes (If Yes to a, b, or c in question #10, applicant must provide a detailed explanation on an attached sheet.)

11. Has the applicant or any individual identified in question #9 ever:

- a. had a license or other authority to conduct business suspended, revoked, or denied?
- b. been named as a defendant in any form of civil litigation related, directly or indirectly, to debt management or credit services organization business, or involving fraud, dishonesty, or deceit?
- c. been charged or convicted of any crime (other than minor traffic violations)?

_____ No _____ Yes (If Yes to a, b, or c in question #11, applicant must provide a detailed explanation on an attached sheet.)

12. Does any officer, director, agent or employee of the applicant have an ownership interest in an affiliate or subsidiary of the applicant or in any other entity that provides a service to the applicant or any consumer relating to the applicant's credit services organization business? If so, please describe the ownership interest, and the service provided by the affiliate, subsidiary or other entity. _____

13. Designate the individual who will be responsible for accepting service of process on behalf of your Company.

Name _____ Phone # () _____

(Street)

(City)

(State)

(Zip Code)

14. List the name of each state in which the applicant is currently registered or licensed to provide debt management services. **The attached State Regulator Questionnaire (Form CSO-3) must be completed & mailed to each state listed below.**

<u>State</u>	<u>Name Registered Under</u>	<u>Type of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>

15. If the applicant is a corporation or limited liability company, provide a detailed description of the applicant's corporate structure, including parent companies, subsidiaries, and affiliates.

16. Provide a detailed description of all business activities conducted by the applicant, a history of operations, and a detailed description of the business activities in which the applicant seeks to be engaged in the State of Kansas.

17. Provide a list of the names and addresses of the federally insured financial institution at which the applicant maintains an operating account(s).

18. Provide name and address of the federally insured financial institution at which the applicant will maintain a trust account in which Kansas customers' funds will be deposited and withdrawn to pay their respective creditors.

19. Provide a completed original Trust Account Consent Agreement (Form CSO-5). This form is to be completed and signed by both the financial institution and the applicant. Each should retain an original and return third original with application.

20. Provide a copy of applicant's audited financial statements accompanied by a written statement by an independent certified public accountant attesting that the statements have been audited in accordance with generally accepted accounting principles. This audit may be no older than 12 months prior to the date of application.

21. Provide a detailed description of the applicant's consumer credit education program.

22. Provide a copy of the applicant's debt management services agreement with Kansas consumers which must meet the criteria outlined in the Kansas Credit Services Organization Act. Complete the enclosed Debt Management Services Agreement Checklist (Form CSO-6) by identifying the page number and section where each item is located in your agreement. Return the completed checklist with a copy of your agreement.

Signature and Oath of Applicant

(Authorized individuals are those that have submitted Confidential Background Information Consent Forms with this application. Signatures of unauthorized individuals on this form or any other applications submitted to the OSBC will not be accepted and returned.)

I hereby swear and affirm that the information contained herein and attachments hereto are true and correct to the best of my knowledge and belief. Further, the Kansas Credit Services Organization Act has been reviewed by the applicant, its officers and directors, and all employees of the applicant will be made aware of such laws and regulations and any changes enacted hereafter. I understand it is the responsibility of the applicant to ensure compliance with these laws and regulations by its officers, directors, and employees, and that failure to do so may result in the credit services organization registration being denied, suspended, or revoked. Further, I understand that providing any false or misleading information may result in the registration being denied, suspended, or revoked.

(Authorized signature of officer, director, partner or owner) (Title or position) (Date)

STATE OF _____) COUNTY OF _____)

Sworn and subscribed before me on _____ by _____
(Date) (Print name of officer, director, partner or owner listed above)

Notary Public Signature

(NOTARY SEAL)

My commission expires: _____

Checklist for Credit Services Organization Application

Use the checklist below to verify that your application is complete prior to submitting it to the OSBC.

- _____ All information requested in the application has been furnished in a legible manner.
- _____ A completed Confidential Background Information Consent Form (Form CSO-1) is enclosed for every individual identified in Question No. 9 of the application.
- _____ A signed Surety Bond prepared on Form CSO-2 in the initial amount of \$25,000 is enclosed.
- _____ A State Regulator Questionnaire (Form CSO-3) has been completed and mailed to every state identified in Question No. 14 of the application.
- _____ Fingerprint cards requested from this agency (Form CSO-4) have been completed and are enclosed with this application for every individual listed in Question No. 9 of the application.
- _____ \$400 Non-refundable Application Fee payable to Office of the State Bank Commissioner is enclosed.
- _____ \$48 Fingerprint Processing Fee must be included for every fingerprint card submitted with the application. (Example: 5 cards x \$48 = \$240 plus \$400 Application Fee above. Total check amount = \$640)

Copies of the following documents are also enclosed with the application:

- _____ Articles of Incorporation, Articles of Organization or Copy of Partnership Agreement (Question No. 8)
- _____ Description of corporate structure, if a corporation or limited liability company (Question No. 15)
- _____ Description of business activities and history of operations (Question No. 16)
- _____ List of financial institutions used to maintain operating account(s) (Question No. 17)
- _____ Name and address of financial institution used to maintain Kansas customers' funds (Question No. 18)
- _____ Completed Trust Account Consent Agreement with original signatures (Form CSO-5) (Question No. 19)
- _____ Audited Financial Statements (Question No. 20)
- _____ Description of consumer credit education program (Question No. 21)
- _____ Debt management services agreement (Question No. 22)
- _____ Completed Debt Management Services Agreement Checklist (Form CSO-6) (Question No. 22)

Duplicate form as needed. Every officer, director, partner, member and owner of applicant must complete this form and submit fingerprint card.

Credit Services Organization Registration Confidential Background Information Consent Form For Officers, Directors, Partners, Members or Owners

SECTION A: To be completed by new Officer, Director, Partner, Member or Owner

I understand the Kansas Office of the State Bank Commissioner (OSBC) may conduct an investigation of the applicant and the applicant's officers, directors, partners, members and owners for the purpose of determining the suitability of the applicant named below to hold a Credit Services Organization Registration in the State of Kansas. I hereby authorize and request all state and federal law enforcement authorities, all state and federal regulatory and licensing authorities, and all credit reporting agencies to furnish information about me regarding criminal records, investigations, background information, licensing, credit reports, and other information of whatever kind and nature, whether known to me or otherwise, to the OSBC. Further, I understand the OSBC shall be under no obligation to disclose such information to me or any other person, and that if such information indicates a violation of law, it may be shared with any agency responsible for investigating or prosecuting the violation. A copy of this authorization shall be accepted with the same force and validity as the original.

(Print full name of officer, director, partner, member or owner)	(Title or Position)
(Email Address)	(Phone Number)
Residence address: _____	_____
(Street)	(City)
_____	_____
(Date of birth)	(Social Security Number*)
_____	_____
(State)	(Zip Code)

Name of Organization (applicant): _____

Kansas registration number of organization: CSO. _____ (N/A if submitted with a new application)

Have you ever:

- a. been the subject of any administrative or judicial judgments?
- b. been the subject of any tax liens or other liens of any nature?
- c. filed for personal or business related bankruptcy?
- d. had a license or other authority to conduct business suspended, revoked, or denied?
- e. been named as a defendant in any form of civil litigation related, directly or indirectly, to debt management or credit services organization business, or involving fraud, dishonesty, or deceit?
- f. been charged or convicted of any crime (other than minor traffic violations)?

_____ No _____ Yes (If "Yes" to any of the above, provide a detailed explanation on an attached sheet.)

Do you have a financial or ownership interest in any affiliate or subsidiary of the applicant or in any other entity that provides any service to the applicant or any consumer relating to the applicant's credit services organization business?

_____ No _____ Yes (If "Yes," provide a detailed explanation on an attached sheet.)

X _____ (Signature of officer, director, partner, member or owner listed above) _____ (Date)

STATE OF _____) COUNTY OF _____)

Sworn and subscribed before me on _____ by _____
 (Date) (Name of individual listed above)

(NOTARY SEAL) _____ My commission expires: _____
 (Notary Public Signature)

SECTION B: Fingerprint Card and Processing Fee Requirement

Each new officer, director, partner, member or owner of applicant or registrant must include completed fingerprint card and \$48 fingerprint processing fee with completed Form CSO-1. Only one fingerprint card is required per individual. Fingerprint cards should be requested by the contact person of the applicant/registrant.

TO REQUEST FINGERPRINT CARDS:

1. Complete a Fingerprint Card Request Form (#CSO-4) available at www.osbckansas.org. The requested number of fingerprint cards with instructions will be mailed to the contact person at the mailing address of the applicant/registrant to distribute to individuals meeting the fingerprint requirements.
2. The fingerprint card must be completed as directed in [the instructions](#). Applicants/Registrants must submit both the completed fingerprint card and this consent form to the OSBC with the appropriate processing fee. Fingerprint cards must be dated within one year of submission to the OSBC, as required by the Kansas Bureau of Investigation.

SECTION C: To be completed by Authorized Officer, Director, Partner, Member or Owner of Applicant or Registrant other than individual identified in Section A above.

(Authorized individuals are those that have been identified by your organization and have submitted Confidential Background Information Consent Forms to the OSBC.)

Organization Name: _____

(Print Name of Authorized Individual—*other than in Section A above*)

(Title or Position)

I hereby advise the OSBC of the addition of the individual named above as an officer, director, partner, member or owner. I understand I am required to notify the OSBC of the addition or departure of any officer, director, partner, member or owner by submitting the required documents and fees. I further understand that registrations are non-transferable and non-assignable, and no other entity may conduct business under the authority of our registration. I understand I am required to notify the OSBC in writing and provide detailed information regarding corporate reorganizations or structure changes.

(Signature of Authorized Individual—*other than in Section A above*)

(Date)

Mail Form and Fees to:

OFFICE OF THE STATE BANK COMMISSIONER
700 SW Jackson St., Suite 300
Topeka, KS 66603-3796

* Providing a social security number is voluntary, however, if it is not provided, application processing may be delayed or denied. The number is requested pursuant to the Kansas Credit Services Organization Act. and may be used to identify applicants in criminal history and financial information investigations, provided to the Kansas Department of Revenue pursuant to K.S.A. 74-139 and/or provided to the Kansas Department of Social and Rehabilitation Services pursuant to K.S.A. 74-148 and K.S.A. 39-758.

State of Kansas
OFFICE OF THE STATE BANK COMMISSIONER
700 SW Jackson St., Suite 300
Topeka, Kansas 66603
785-296-2266 Fax: 785-296-6037

SURETY BOND
CREDIT SERVICES ORGANIZATION

Bond Number _____ Amount \$ _____

KNOW ALL MEN BY THESE PRESENTS, that we,

(applicant/registrant name)

of the City of _____, County of _____, State of _____ as Principal and obligor, and _____ as

Surety are held and firmly bound unto the State of Kansas, Office of the State Bank Commissioner (hereinafter "OSBC") in the penal sum of \$_____ for payment of which, well and truly to be made, we hereby bind ourselves and each of our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal is applying to become a registered credit services organization pursuant to the Kansas Credit Services Organization Act, K.S.A. 50-1116 *et seq.*, and seeks to establish, meet, and maintain the financial responsibility requirements of the OSBC during the term of the subject registration by tender of the within bond,

NOW, THEREFORE, the condition of the foregoing obligation is such that:

1. If the Principal faithfully performs all its obligations under applicable state and federal law, including the Kansas Credit Services Organization Act, K.S.A. 50-1116 *et seq.* (hereinafter "KCSOA") and amendments thereto, or any rule or regulation lawfully adopted under said Act with respect to acting as a credit services organization, this obligation will be void; otherwise the same will remain in full force and effect.

2. Surety agrees to promptly (within sixty [60] days) remit payment as instructed by the OSBC upon receiving notice that any of the following has not been paid by the Principal: any lawful expenses incurred, or fees levied, by the OSBC; any expenses, fines, fees, or refunds pursuant to a settlement agreement with the OSBC; any expenses, fines and fees that become lawfully due pursuant to a final judgment or order; or any losses or damages which are determined by the OSBC to have been incurred by any borrower or consumer as a result of the Principal's, or its agent's, failure to faithfully comply with the provisions of Kansas law, including the requirements of the KCSOA, or any rule or regulation lawfully adopted under said Act.

PROVIDED, that the Surety's aggregate liability for any and all claims which may arise under this bond shall in no event exceed the amount of this bond, regardless of the number of claims or claimants.

FURTHER PROVIDED that this Bond shall remain effective continuously subject to the termination or reduction in liability as provided in this paragraph. The Surety shall have the right to terminate or reduce its liability hereunder only by giving the Principal and the OSBC written notice of such termination by written notification via certified mail to the State of Kansas Office of the State Bank Commissioner at least thirty (30) days prior to the effective date of such termination; provided, however, that the Principal and Surety shall be and remain liable for a period of two (2) years from the date of termination for any action or inaction of Principal, occurring during the effective period of the bond, that gives rise to a claim under this bond, unless released in writing, in whole or in part, from such liability by the Office of the State Bank Commissioner.

FURTHER PROVIDED that after giving notice of termination or reduction of liability, the Surety may reinstate or increase its liability by the execution and filing of a new bond or by mailing written notice to the OSBC indicating that the Surety desires to continue as Surety for the registrant and that its prior notice of termination or reduction of liability is withdrawn and rescinded.

FURTHER PROVIDED that, if this bond is not previously terminated as set forth above, the liability of the Surety shall expire two (2) years after the date of the surrender, revocation, or expiration of the subject registration, whichever shall first occur.

THIS BOND shall be effective on and after _____, or, if left blank, the day of execution by Surety shall be the effective date of the bond. The bond shall be effective, if accepted by the OSBC, without further notice.

IN WITNESS WHEREOF, we have duly executed the foregoing obligation this ___ day of _____, 200__.

REGISTRANT:

(Registrant's Name)

(Signature)

(Print Signature Name)

(Title) (Date)

[CORPORATE SEAL]
(If Any)

Surety Must Attach Power of Attorney

(Surety)

(Signature)

(Print Signature Name)

(Telephone Number) (Date)

Name, address, and telephone number of the Surety representative to contact in the event a claim must be filed:

STATE OF KANSAS
OFFICE OF THE STATE BANK COMMISSIONER
CONSUMER AND MORTGAGE LENDING DIVISION

785-296-2266 Fax: 785-296-0168

Credit Services Organization State Regulator Questionnaire on Applicant

.....
APPLICANT SECTION: Duplicate this form as needed. Complete this section and forward to the regulatory authorities of the states in which you are currently registered to conduct business. Include a stamped envelope addressed to the agency below.

Name and Address of Company (Applicant) _____

 (Street address) (City) (State) (Zip Code)

Date of Original Registration _____ Type of Registration _____

Registration Number _____ Expiration Date _____

I hereby authorize the State of _____ to furnish the information requested below.

Date _____ Name and Title _____ Signature _____

.....
STATE REGULATOR SECTION: The above named company has made application to conduct business in Kansas. The applicant stated that they are registered and regulated by you. Please respond to the following questions and return the completed form to the address stated below.

- | | | |
|--|----------|-----------|
| 1. Is the applicant information listed above accurate? | _____ No | _____ Yes |
| 2. Did you conduct an investigation of this applicant prior to issuing a registration? | _____ No | _____ Yes |
| 3. Have you received any complaints against this applicant? | _____ No | _____ Yes |
| 4. Have you conducted an examination or audit of their operation? | _____ No | _____ Yes |
| 5. Have you taken any disciplinary action against this company? | _____ No | _____ Yes |

If Yes to #3 or #5, please explain: _____

6. Any additional comments will be appreciated. Please attach additional pages if necessary.

I certify that the information contained herein and attached is true and correct according to the official records of this State.

Date _____ State Agency Name _____

Name and Title of person completing questionnaire _____

Telephone No. _____ Signature _____

**Please return completed questionnaire to: OFFICE OF THE STATE BANK COMMISSIONER
 CONSUMER AND MORTGAGE LENDING DIVISION
 700 SW JACKSON ST., SUITE 300
 TOPEKA, KS 66603-3796**



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**Kansas Credit Services Organization Registration
 FINGERPRINT CARD REQUEST FORM**

Any applicant who files an application for a Kansas Credit Services Organization Registration must provide completed fingerprint cards with their application and pay to the Office of the State Bank Commissioner (OSBC) processing fees required by the bureaus of investigation to scan the cards.

Fingerprint cards must be completed for every owner of 10% or more interest in the applicant, and every director, member, partner and executive officer of the applicant (Question #9 of an original application).

To request fingerprint cards, complete this form and email to VfjUb\ i k JYf@osbckansas.org or fax to 785-296-6037. The number of fingerprint cards requested will be mailed to the contact person at the mailing address listed below with instructions for completing the cards.

Number of Fingerprint Cards Requested: _____

Contact Person: _____
 (Name) (Phone Number) (Email)

Company: _____
 (Company Name)

Company Mailing Address: _____
 (Street)

 (City) (State) (Zip Code)

Company License No.: _____
 (N/A if submitting new company license application)

The number of fingerprint cards requested will be mailed to the contact person at the address listed above with instructions for completing the cards. Completed fingerprint cards and correct processing fees must be mailed with your application for a Kansas Credit Services Organization registration to the OSBC as directed in the application. Any deviation from this procedure will delay the processing of your application.

Please contact us at 785-296-2266 should you have questions.

If a new owner, officer, director, member or partner is being added to an already approved Kansas Credit Services Organization Registration, each new individual must submit a completed Confidential Background Information Consent Form (Form CSO-1) and Fingerprint Card with a check for \$48 made payable to the Office of the State Bank Commissioner.

This Agreement must be completed in triplicate originals, one to be returned to the Kansas Office of State Bank Commissioner with the Credit Services Organization Application, one to the Financial Institution and one retained by Applicant. Duplicate form as needed.

Trust Account Consent Agreement

Name of Trust Account and Account Number:

On behalf of _____ (applicant/registrant)

and _____ (financial institution), the persons signing below do hereby irrevocably consent that, upon notification from the Kansas Office of the State Bank Commissioner (OSBC) (either hand-delivered or sent by certified mail) that the OSBC intends to exercise its authority pursuant to K.S.A. Supp. 50-1128, subsection (m), and amendments thereto, to seize and distribute a registrant's trust account funds to protect consumers and the public interest, no further withdrawals or transfers from the account shall be made and funds in the account shall be remitted to the Commissioner or such other party as the Commissioner shall designate to act on his behalf in such manner and time as the Commissioner or the Commissioner's designee shall direct. Further, the persons signing below agree that the account shall not be closed or terminated without 10 days' prior notice to the Commissioner.

The persons signing below also hereby consent to the jurisdiction of the Office of the State Bank Commissioner for the purpose of any investigation or proceedings under K.S.A. Supp. 50-1116 et seq., and amendments thereto, the Kansas Credit Services Organization Act.

1. Nothing in this Trust Account Consent Agreement ("Agreement") requires the financial institution holding the trust account to violate any applicable laws or any court order.
2. The account is subject to the financial institution's terms and conditions of deposit accounts now in existence and as they may be modified in the future, except to the extent that the terms and conditions are specifically inconsistent with this Agreement.
3. Financial institution is not liable for any indirect damages, lost profits, special, punitive or consequential damages that arise out of or in connection with the obligations contemplated by this Agreement. The provisions of this paragraph will survive termination of this Agreement.
4. This Agreement is executed in triplicate originals, one to be kept by the Registrant, one to be kept by the financial institution, and one to be filed with the Kansas Office of the State Bank Commissioner.
5. The account information required in connection with an application for a Credit Services Organization registration shall be kept confidential pursuant to the laws governing disclosure of public records, including the Kansas Open Records Act, K.S.A. 45-215 et seq., and amendments thereto.

Name of Applicant/Registrant

Name of Financial Institution

Name of Individual Signing on
Behalf of the Organization

Name of Individual Signing on
Behalf of the Financial Institution

Signature

Signature

Title

Title

Date

Date

Debt Management Services Agreement Checklist

This checklist references points of law to be included in your Debt Management Services Agreement pursuant to K.S.A. 50-1116 et seq. and amendments thereto. Please fill in the checklist identifying where your Debt Management Services Agreement addresses each relevant point of law. Return the completed checklist with your application and a copy of your Debt Management Services Agreement.

Page No./Section

_____ 1) The agreement is in at least 12 point type. *K.S.A. 50-1120(c)*

The agreement must include:

_____ 2) A space for the consumer to sign and date. *K.S.A. 50-1120(c)*

_____ 3) A space for the registrant to sign and date. *K.S.A. 50-1120(c)*

_____ 4) a) The name, address, and phone number of registrant. *K.S.A. 50-1120(c)(1)*

_____ b) A registrant shall not conduct credit services organization activities using any name other than the name or names approved by the commissioner. *K.S.A. 50-1121(i)* **(Cannot use DBA name only)**

_____ c) Section for the name, address, and phone number of the consumer. *K.S.A. 50-1120(c)(1)*

_____ 5) A description of debt management services provided. *K.S.A. 50-1120(c)(2)*

_____ 6) An itemization of all fees charged to the consumer. *K.S.A. 50-1120(c)(2)*

_____ a) The one-time **consultation** fee does not exceed \$50. *K.S.A. 50-1126(b)(1)* **Must use the term consultation fee.**

_____ b) The monthly **maintenance** fee is the lesser of \$5 per creditor per month or a maximum of \$20 per month. *K.S.A. 50-1126(b)(2)* **Must use the term maintenance fee.**

_____ c) Fees other than consultation fee and maintenance fee are not charged. *K.S.A. 50-1126(b)*

_____ 7) A notice of the right to rescind from debt management services at any time by giving written notice of rescission to the registrant. *K.S.A. 50-1120(c)(3)*

_____ 8) A section that allows for schedule of payments, including the amount and due date of each payment, that the consumer must make to the registrant for disbursement to such consumer's creditors. *K.S.A. 50-1120(c)(4)*

_____ 9) A section or part that allows for a list of each participating creditor of the consumer to which payments will be made by the registrant. This list shall include: (A) Amount owed to each creditor; (B) amount of each payment; (C) date on which each payment will be made; (D) anticipated payoff date for each creditor or anticipated term of the debt management services agreement. *K.S.A. 50-1120(c)(5)*

_____ 10) A section for the name of each creditor that the registrant reasonably expects not to participate in the debt management plan. (i.e. mortgage payment, car payment, etc.) *K.S.A. 50-1120(c)(6)*

_____ 11) A disclosure the registrant may receive compensation from consumer's creditors for providing debt management services to the consumer. *K.S.A. 50-1120(c)(7)*

_____ 12) A disclosure stating the registrant may not require the consumer to buy any other product or service as a condition of entering into the debt management services agreement nor attempt to solicit or offer to sell any other product or service during the debt management services agreement. *K.S.A. 50-1120(c)(8)*

_____ 13) A disclosure stating the registrant may not require a voluntary contribution from the consumer for any service provided. *K.S.A. 50-1120(c)(9)*

_____ 14) A disclosure stating the consumer authorizes any financial institution in which the registrant has established a trust account for the disbursement of the consumer's funds to disclose financial records relating to the account to the commissioner. *K.S.A. 50-1120(c)(10)*

_____ 15) A disclosure stating "The Kansas Office of the State Bank Commissioner will accept questions and complaints from consumers regarding (name and registration number of registrant) at 700 SW Jackson, Suite 300, Topeka, Kansas, 66603, or by calling toll-free 1-877-387-8523". *K.S.A. 50-1120(c)(11)*

The agreement MAY NOT include these prohibited items:

Acknowledge with a checkmark that these items are not included in your agreement.

- _____ 16) An arbitration agreement, unless governed by the Federal Arbitration Act (9 U.S.C.A. § 1 et seq.)
- _____ 17) A choice point of law and/or jurisdiction statement that the agreement will be governed by the laws of or the jurisdiction of a state other than Kansas.
- _____ 18) Provisions for a fee in the form of a promissory note or other promise to pay. *K.S.A. 50-1121(k)*
- _____ 19) Provisions to accept or receive any reward, bonus, premium, commission or any other consideration for referring a consumer to any person or related interest. *K.S.A. 50-1121(l)*
- _____ 20) Provisions to lend money or provide credit to the consumer. *K.S.A. 50-1121(n)*
- _____ 21) Claims to a mortgage or other security interest in real or personal property owned by the consumer. *K.S.A. 50-1121(o)*
- _____ 22) A contract to charge for or provide credit insurance. *K.S.A. 50-1121(q)*
- _____ 23) Provisions to purchase any debt or obligation of a consumer. *K.S.A. 50-1121(r)*
- _____ 24) Communication which simulates in any manner a legal or judicial process, or which gives the false appearance of being authorized, issued or approved by a government, governmental agency or attorney-at-law. *K.S.A. 50-1121(s)*
- _____ 25) Arrangements while operating as a registrant, or a director, manager or officer of such registrant or any related interest of such registrant, be a director, manager, officer, owner or related interest of any creditor or a subsidiary of any such creditor, that is receiving or will receive payments from the registrant on behalf of a consumer with whom the registrant has entered into a debt management services agreement. *K.S.A. 50-1121(t)*
- _____ 26) An attempt to cause a consumer to waive or agree to forego rights or benefits under this act. For example, the agreement does not say, "The consumer will not hold registrant, employees, officers, directors, agents, and volunteers harmless from any claim, suit, action, or demand of creditors, consumer, or any other person in connection with the plan." *K.S.A. 50-1121(u)*
- _____ 27) Fees to a consumer if the consumer enters into an agreement to: A) prepare a financial analysis or an initial budget plan for the consumer, B) counsel a consumer about debt management, C) provide a consumer with the consumer education program, or D) rescind a debt management services agreement. *K.S.A. 50-1126(c)(1)*
- _____ 28) A requirement for the consumer to pay for a counseling session, an educational program or materials and supplies as a condition of entering into a debt management services agreement. *K.S.A. 50-1126(c)(3)*
- _____ 29) Consumer's funds are retained by the registrant or not disbursed in accordance with *K.S.A. 50-1122(b)(5)* which states a registrant shall disburse a consumer's funds from the trust account only to such consumer's creditors or back to the consumer.
- _____ 30) Wording to release the registrant of obligation in *K.S.A. 50-1122(b)(3)* to correct any misdirected payments resulting from an error by the registrant.
- _____ 31) Wording to release registrant of obligation in *K.S.A. 50-1122(b)(4)* to reimburse the consumer for actual fees or other charges imposed by a creditor as a result of misdirection of payments by registrant.