

INSTRUCTION SHEET FOR NOTIFICATION FORM

The Kansas Uniform Consumer Credit Code (K.S.A. 16a-6-201) requires creditors engaged in this state in entering into consumer credit transactions, and any person who takes assignments of and undertakes collection of payments from or takes assignments of and enforces rights against debtors arising from these transactions to file notification and pay the prescribed fees on or before **April 30** of each year to the Office of the State Bank Commissioner, 700 SW Jackson, Suite 300, Topeka, Kansas 66603-3796. After reading instructions, if you need assistance in completing the form, please call (785) 296-2266. Once your registration is approved, your company will be added to the list of Notification Registrants displayed on our website at www.osbckansas.org.

WHO HAS TO FILE NOTIFICATION AND PAY THE \$25.00 ANNUAL FEE?

A consumer credit transaction is made in this state if a signed writing evidencing the obligation or offer of the consumer is received by the creditor in this state; or the creditor induces the consumer who is a resident of this state to enter into the transaction by solicitation in this state by any means, including but not limited to: mail, telephone, radio, television or any other electronic means. You extend credit under Kansas law if you engage in any of the following activities:

1. Those who extend credit to which a finance charge is added to the actual cost of goods or services;
2. Those who add a service or carrying charge to an account as a cost of deferring payment;
3. Those who prepare retail installment contracts and assign these contracts to a third party;
4. Those who extend credit according to a written agreement which permits payment in more than four installments, even though no finance charge is added; or
5. Those who purchase retail installment contracts, loans or leases from sellers, lenders, or lessors.

Sellers and Lessors. Those who regularly engage in the business of selling or leasing goods or services to persons for personal, family, or household purposes who either imposes a finance charge or agrees to accept payment by written agreement in more than four installments, must file notification and pay the \$25.00 annual fee for each business location. Every seller or lessor who initiates a consumer sale or lease must file whether he holds the contract himself or assigns or sells it to a third party.

Lenders. Those who regularly engage in the business of lending money to persons for personal, family, or household purposes, who agrees either to accept payment in more than four installments or imposes a finance charge, must file notification and pay the \$25.00 annual fee for each location holding a Kansas supervised loan license.

Assignees. Those who take assignments of and undertakes collection of payments from or takes assignments of and enforces rights against debtors arising from the above-mentioned sales, leases, or loans must file notification and pay the \$25.00 annual fee for each business location plus additional fees.

WHO IS EXEMPT?

Sellers who accept lender credit cards (e.g. bank credit cards) EXCLUSIVELY need not file.

Sellers and Lenders who sell or lend EXCLUSIVELY for business or agricultural purposes need not file. (Business purposes means a business selling to other businesses only - no consumer business).

Sellers and Lenders who are engaged EXCLUSIVELY in making credit transactions secured by a first real estate mortgage need not file, unless transactions are brought under the Kansas Uniform Consumer Credit Code by agreement or unless the loan to value ratio exceeds 100% or if the annual percentage rate exceeds the "code mortgage rate". All Supervised Loan Licensees must file notification based on the activities presumed to be conducted under that license.

WHO HAS TO PAY ADDITIONAL FEES?

Sellers, Lessors or Lenders who are required to file notification shall pay an additional fee of \$35.00 for each \$100,000 or part thereof of the average unpaid balance, including unpaid scheduled periodic payments under consumer leases, arising from consumer credit transactions entered into in this state and held on the last day of each calendar month during the preceding calendar year and held either by the seller, lessor, or lender or by the immediate or a remote assignee who has not filed notification. The unpaid balances of assigned obligations held by an assignee who has not filed notification are presumed to be the unpaid balances of the assigned obligations at the time of their assignment by the seller, lessor or lender. Sellers or lessors who assign contracts to assignees which are not registered with our office must pay volume fees on the total amount assigned to those companies. The OSBC website contains a listing of approved Notification registrants at www.osbckansas.org.

Assignees who are required to file notification shall pay an additional fee in the amount of \$35.00 for each \$100,000 or part thereof of the average unpaid balances including unpaid scheduled periodic payments payable by lessees, arising from consumer credit transactions entered into in the state taken by assignment or purchased and held on the last day of each calendar month during the preceding calendar year.

INSTRUCTIONS FOR COMPUTATION OF FEES

ANNUAL FEE:

Item 1. Those required to file shall pay an annual fee of \$25.00 for each business location from which consumer credit transactions are made and/or taken by assignment. Number of locations times \$25.00 is the total annual notification fee payable.

ADDITIONAL FEES:

Item 2. To be completed by all SELLERS, LESSORS, LENDERS.

Item 2a. The average unpaid balance equals the total unpaid consumer credit balances held on the last day of each calendar month, including unpaid scheduled periodic payments under consumer leases. Divide this total by 12 which will give the average unpaid balances for the preceding calendar year.

Item 2b. If consumer credit transactions are assigned during the year to any person or organization who has **not** filed notification with this agency **including state or national banks or state or federally chartered savings and loans or credit unions which do not file notification**, you must total the amounts assigned for the year and report them in Item 2b. Example: If you only assign contracts to one **national bank** and the amount of consumer credit transactions assigned to that **national bank** totaled \$250,000 for the year, the amount to report in Item 2b. would be \$250,000. If consumer credit transactions are assigned to multiple assignees who have **not** filed notification, the amounts assigned must be totaled together and reported in Item 2b. On the OSBC website at www.osbckansas.org, search the list of approved Notification registrants to determine if an assignee has filed notification.

Item 2c. Add together the average unpaid balance in Item 2a. and the total amount of consumer credit transactions assigned to third parties who have not filed notification as reported in Item 2b.

Item 2d. Additional fee of \$35.00 for each \$100,000 or part thereof of Item 2c.

Item 3. FOR ASSIGNEES ONLY. "Assignees" is a firm or person who purchases consumer credit sales contracts, consumer leases, or consumer loans from a seller, lessor or lender.

Item 3a. The average unpaid balances arising from consumer credit transactions for the preceding calendar year is determined by totaling unpaid balances, including unpaid scheduled periodic payments under consumer leases, at the end of each month. Divide this total by 12, which will give the average unpaid balance for the preceding calendar year.

Item 3b. Additional fee of \$35.00 for each \$100,000 or part thereof of Item 3a.

Item 4. Total of Items 1, 2d and 3b. Make check payable to Office of the State Bank Commissioner.

EXAMPLE OF COMPUTATION OF FEES

ANNUAL FEE:

1. Number of Locations (See Line G. above) 2 X \$25.00.....\$ 50.00

ADDITIONAL FEES:

2. SELLERS, LESSORS, OR LENDERS:

a. Average unpaid balances for the preceding calendar year \$ 5,000

b. Total amount assigned or sold to third parties who have NOT filed notification\$ 200,000

You must total the amount of contracts assigned to companies or organizations who have not filed notification including amounts assigned to banks, savings and loans and credit unions. See Instructions.

c. Balance on which additional fee is to be paid (Total Items 2a and 2b above)..... \$ 205,000

d. Additional fees due - \$35.00 for each \$100,000 or part thereof of Item 2c.(\$35 x 3 = \$105).....\$ 105.00

3. ASSIGNEES ONLY:

a. Average unpaid balances for the preceding calendar year \$ 708,000

b. Additional fees due - \$35.00 for each \$100,000 or part thereof of Item 3a.....(\$35 x 8 = \$280).....\$ 280.00

4. **TOTAL FEES PAYABLE:** (Items 1, 2d and 3b)\$ 435.00

*If you receive this form and believe that you are not subject to the notification requirements of the Kansas Uniform Consumer Credit Code, **give reason on form and return immediately.***

FAILURE TO FILE NOTIFICATION IS A CLASS A MISDEMEANOR SUBJECT TO IMPRISONMENT AND/OR FINE. THE ADMINISTRATOR MAY IMPOSE ADDITIONAL FINES UP TO \$5,000 PER OCCURANCE.

STATE OF KANSAS NOTIFICATION FORM

Date _____

Persons engaged in making Kansas Consumer Credit Sales, Leases and/or Loans and the Assignees of obligations arising from these transactions shall file notification and pay prescribed fees within 30 days after commencing business in this State, and thereafter on or before April 30 of each year. Make check payable to Office of the State Bank Commissioner, 700 SW Jackson St., Suite 300, Topeka, Kansas 66603-3796.

A. Name of Applicant _____
(Name under which business is transacted including dba name if applicable)

Federal Tax Identification Number _____ Internet Website Address _____

B. Contact Person _____ Phone # _____

C. Address of Applicant _____ County _____

D. Mailing address if different than C. _____

E. Type of Business Conducted _____

F. Business is Conducted: At Office () By Mail () Internet () Other Electronic Means ()-Specify Type: _____

G. Number of Locations from which Kansas consumer credit transactions are made or taken assignment of _____ List Full Name and Address - Attach Sheet if needed.

Table with 7 columns: Name, Street, City, State, Zip, County. Rows 1 and 2 for location details.

H. If Contracts are assigned or sold to a Third Party, list Name and Address of each Assignee below, and the number and dollar amount of contacts assigned or sold during the preceding calendar year - Attach sheet if more space is needed.

Table with 7 columns: Name, Street, City, State, Zip, Number, Dollar Amount. Rows 1 and 2 for assignee details.

COMPUTATION OF FEE & RECONCILIATION (See Instruction Sheet)

ANNUAL FEE:

1. Number of Locations (See Line G. above) _____ X \$25.00.....\$ _____

ADDITIONAL FEES:

2. SELLERS, LESSORS, OR LENDERS:

a. Average unpaid balances for the preceding calendar year \$ _____

b. Total amount assigned or sold to third parties who have NOT filed notification\$ _____

You must total the amount of contracts assigned to companies or organizations who have not filed notification including amounts assigned to banks, savings and loans and credit unions. Search the list of approved Notification registrants on the OSBC website at www.osbckansas.org, to determine if an assignee has filed notification.

c. Balance on which additional fee is to be paid (Total Items 2a and 2b above)..... \$ _____

d. Additional fees due - \$35.00 for each \$100,000 or part thereof of Item 2c.\$ _____

3. ASSIGNEES ONLY:

a. Average unpaid balances for the preceding calendar year \$ _____

b. Additional fees due - \$35.00 for each \$100,000 or part thereof of Item 3a.....\$ _____

4. TOTAL FEES PAYABLE: (Items 1, 2d and 3b)\$ _____

I hereby notify you that we are or plan to be engaged in extending or taking assignment of consumer credit and verify the amounts stated above are true and correct to the best of my knowledge.

Signature _____ Print Name _____