KS Credit Service Organization License
Transition Checklist (Company)

CHECKLIST SECTIONS

- General Information
- License Fees
- Requirements Completed in NMLS
- Requirements/Documents Uploaded in NMLS
- Requirements Submitted Outside of NMLS

GENERAL INFORMATION

Transition to NMLS
Companies holding the Office of the State Bank Commissioner Credit Services Organization License are required to submit a license transition request through NMLS by filing a Company Form (MU1) and an Individual Form (MU2) for each of their Owners/Officers/Directors/Board Members by October 1, 2020. The Credit Services Organization License will be available in NMLS to submit the transition request starting July 1, 2020. The transition to NMLS for this license is required.

Note: If you already have a record in NMLS and have submitted these forms in the past, you do not need to re-enter your company information into NMLS. You will only need to identify the business activities your company conducts and the states in which the various activities are conducted. Then, you will select the appropriate license in KS and complete a few state-specific fields.

It is important that current licensees have the appropriate transition number available when completing and submitting their Company Form (MU1), so they are not charged a new application fee.

Licensees should use their current Kansas Credit Services Organization License Number “CSO.XXXXXX” as your “Transition Number” upon filing. You must include any and all punctuation, capitalization, etc.

Any licensee that needs to amend or surrender a license (or execute any other action previously completed in paper form must complete these actions within NMLS from July 1, 2020 onward. Paper forms will not be accepted after July 1, 2020. Kansas encourages current licensees to update their information with Kansas by September 1, 2020 so there will be no pending changes to submit at the time of transition.

K.S.A. 50-1118. Same; licensing required to conduct credit services organization business; application.

Activities Authorized Under This License
This license authorizes the following activities:
  - Debt Management/ Credit Counseling
Document Uploads Guidance

Documents that must be uploaded to the Document Uploads section of the Company Form (MU1) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in Document Upload Descriptions and Examples.
- Only upload documents relevant to the company transition.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- Transitioning an Existing Company License Quick Guide
- Document Upload Descriptions and Examples
- Individual Form (MU2) Filing Quick Guide
- Financial Statements Quick Guide
- Payment Options Quick Guide
- License Status Definitions Quick Guide

Agency Contact Information

Contact Consumer and Mortgage Lending licensing staff by phone at 785-296-1365 or send your questions via email to licensing@osbckansas.org for additional assistance.

For U.S. Postal Service:
Kansas Office of the State Bank Commissioner
CML Licensing
700 SW Jackson St.
Suite 300
Topeka, KS 66603

For Overnight Delivery:
Kansas Office of the State Bank Commissioner
CML Licensing
700 SW Jackson St.
Suite 300
Topeka, KS 66603

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.
### LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

<table>
<thead>
<tr>
<th>Complete</th>
<th>KS Credit Service Organization License</th>
<th>Submitted via...</th>
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<tbody>
<tr>
<td>Note</td>
<td>KS License/Registration Transition Fee: $0.00</td>
<td>NMLS (Filing submission)</td>
</tr>
<tr>
<td></td>
<td>NMLS Initial Transition Processing Fee: $0.00</td>
<td></td>
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<tr>
<td></td>
<td>Credit Report for Direct Owners/Executive Officers/Board Members: $15 per person.</td>
<td>NMLS (Filing submission)</td>
</tr>
</tbody>
</table>

### REQUIREMENTS COMPLETED IN NMLS

<table>
<thead>
<tr>
<th>Complete</th>
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<tbody>
<tr>
<td></td>
<td>Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the transition request for the license/registration through NMLS. See the <a href="#">Transitioning an Existing License Quick Guide</a> for instructions on how to submit the transition request. <strong>The following steps in the order listed must be taken in the Company Form (MU1).</strong></td>
<td></td>
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<tr>
<td></td>
<td>Step 1: Create a new Company Form (MU1) filing. Step 2: In the Business Activities section, click Request License. Step 3: Check the box next to the Kansas Credit Services Organization License. Step 4: Enter your current Kansas Credit Services Organization License Number “CSO.XXXXXXX” as your “Transition Number” upon filing. You must include any and all punctuation, capitalization, etc. Step 5: Click Next. Step 6: Click Continue with Filing. Step 7: Review the remainder of the Company Form (MU1) and make any necessary updates. Step 8: In the Attest and Submit section, attest to and submit the filing.</td>
<td>NMLS</td>
</tr>
<tr>
<td>Topic</td>
<td>Description</td>
<td>Reference</td>
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<tr>
<td><strong>Financial Statements:</strong></td>
<td>Upload an audited financial statement prepared by a Certified Public Accountant/Signed by an executive officer in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant notes thereto. The financial statement must illustrate the company is solvent. <strong>Note:</strong> Financial statements are uploaded separately under the Filing tab and Financial Statement submenu link. See the Financial Statements Quick Guide for instructions.</td>
<td>NMLS</td>
</tr>
<tr>
<td><strong>Other Trade Name:</strong></td>
<td>If operating under a name that is different from the licensee’s legal name, that name (“Trade Name”, “Assumed Name” or “DBA”) must be listed under the Other Trade Names section of the Company Form (MU1). Kansas Office of the State Bank Commissioner does not limit the number of other trade names.</td>
<td>NMLS</td>
</tr>
<tr>
<td><strong>Resident/Registered Agent:</strong></td>
<td>The Resident/Registered Agent, or Direct owner, etc. must be listed under the Resident/Registered Agent section of the Company Form (MU1) and must match the information currently on record with The Kansas Secretary of State’s Office.</td>
<td>NMLS</td>
</tr>
<tr>
<td><strong>Primary Contact Employees:</strong></td>
<td>The following individuals must be entered into the Contact Employees section of the Company Form (MU1). 1. Primary Company Contact. 2. Primary Consumer Complaint Contact.</td>
<td>NMLS</td>
</tr>
<tr>
<td><strong>Non-Primary Contact Employees:</strong></td>
<td>KS does not require any non-primary contacts to be listed in the Contact Employees section of the Company Form (MU1).</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Bank Account:</strong></td>
<td>Bank account information must be completed for the company’s Letter/Line of Credit, Operating, and/or Trust Primary accounts in the Bank Account section of the Company Form (MU1).</td>
<td>NMLS</td>
</tr>
<tr>
<td><strong>Qualifying Individual:</strong></td>
<td>The Qualifying Individual section is not required to be completed for KS on the Company Form (MU1).</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Disclosure Questions:</strong></td>
<td>Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2). See the Company Disclosure Explanations Quick Guide for instructions.</td>
<td>Upload in NMLS in the Disclosure Explanations section of the Company Form (MU1) or Individual Form (MU2).</td>
</tr>
<tr>
<td><strong>Owner/Officer/Director/Board Member (MU2) Attestation:</strong></td>
<td>Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable person before it is able to be submitted along with the Company Form (MU1).</td>
<td>NMLS</td>
</tr>
<tr>
<td>Credit Report: Individuals in the positions of Owner/Officer/Director/Board Member are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).</td>
<td>NMLS</td>
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<tr>
<td>MU2 Individual FBI Criminal Background Check Requirements: Not required for transition.</td>
<td>NMLS</td>
<td></td>
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</table>
| **Surety Bond**: Submit a bond in the amount of $25,000 furnished by a surety company authorized to conduct business in Kansas.  
*The Surety Bond Requirement may be satisfied completing one of the following:*  
1. **Electronic Surety Bond**: Submit an Electronic Surety Bond (ESB) via NMLS in the amount listed above furnished and submitted by a surety company authorized to conduct business in Kansas. See the [ESB Adoption Table](#) and the [ESB for NMLS Licensees page](#) of the NMLS Recourse Center for more information.  
2. **Paper Surety Bond**: Submit the properly executed surety bond furnished by a surety company authorized to conduct business in Kansas. UPLOAD the bond to NMLS. The name of the principal insured on the bond must match exactly the Full Legal Name of the applicant.  
   *NOTE: A new bond is not required—simply upload a copy of your current paper bond form.* This document should be uploaded in NMLS under the Document Type Surety Bond in the Document Uploads section of the Company Form (MU1). This document should be named [License Type] Surety Bond.  
   *Note: Additional guidance will be provided by the OSBC about converting bond to an Electronic Surety Bond (ESB) in NMLS. All licensees will be required to convert to ESB by July 1, 2021.* | 1. **Electronic Surety Bond in NMLS**  
   *Or;*  
2. **Upload in NMLS** |
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|          | **Business Plan:** Upload a business plan outlining the following information:  
• Marketing strategies  
• Products  
• Target markets  
• Fee schedule  
• Operating structure the licensee intends to employ.  
This document should be named *[Company Legal Name] Business Plan*.  
**Note:** If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded. A company should only upload a single business plan. If state-specific material is required, this information should be added to the existing uploaded business plan. | **Upload in NMLS:** under the Document Type Business Plan in the Document Uploads section of the Company Form (MU1). |
|          | **Certificate of Authority/Good Standing Certificate:** Upload a State-issued and approved document (typically by the Secretary of State’s office), dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in Kansas.  
This document should be named *Kansas Certificate of Authority OR Kansas Certificate of Good Standing*. | **Upload in NMLS:** under the Document Type Certificate of Authority/Good Standing Certificate in the Document Uploads section of the Company Form (MU1). |
|          | **Company Staffing and Internal Policies:** Upload document(s) including information on staffing and internal organizational policies and procedures that demonstrate employee background checks.  
This document should be named *Hiring and Employment Practices*. | **Upload in NMLS:** under the Document Type Company Staffing and Internal Policies in the Document Uploads section of the Company Form (MU1). |
**Debt Management Agreement:** Upload a KS specific written contract, plan or agreement between a debt management provider and a consumer for performance of debt management services. One agreement uploaded per State.

This document should be named *KS Debt Management Agreement*.

The Debt Management Agreement shall contain:

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

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

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

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

b) A licensee 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 $75. K.S.A. 50-1126(b)(1)

b) The monthly maintenance fee is the lesser of $5 per creditor per month or a maximum of $40 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 licensee. 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 licensee 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 licensee. 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 licensee 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 licensee 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 licensee 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 licensee 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 licensee 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 OSBC will accept questions and Complaints from consumers regarding (name of Company) at 700 SW Jackson, Ste. 300 Topeka, KS 66603.

**Document Samples:** Upload copies of the following sample documents used in the regular course of business in connection with this license:

- **Education Plan and Materials**
  This document should be named *KS Credit Education Plan*

**Formation Documents:** Determine classification of licensee’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.

**Sole Proprietor**
- Registration with the Kansas Secretary of State’s Office

**Unincorporated Association:**
- By-Laws or constitution (including all amendments).

**General Partnership:**
- Partnership Agreement (including all amendments).

**Limited Liability Partnership:**
- Certificate of Limited Liability Partnership; and
- Partnership Agreement (including all amendments).

**Limited Partnership:**
- Certificate of Limited Partnership; and
- Partnership Agreement (including all amendments).

**Limited Liability Limited Partnership:**
- Certificate of Limited Liability Limited Partnership; and
- Partnership Agreement (including all amendments).

**Limited Liability Company (“LLC”):**
- Articles of Organization (including all amendments);
- Operating Agreement (including all amendments);
- IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and
- LLC resolution if authority not in operating agreement.

**Corporation:**
- Articles of Incorporation (including all amendments);
- By-laws (including all amendments), if applicable;
- Shareholder Agreement (including all amendments), if applicable;
- IRS Form 2553 if S-corp treatment elected; and
- Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable.

**Not for Profit Corporation**
- Documents requested of a Corporation; and
- Proof of nonprofit status
  - Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or
  - Statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating
within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or
  o entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the licensee; or
  o Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the licensee is a local nonprofit affiliate.

<table>
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<tr>
<th><strong>Management Chart:</strong> Submit a Management chart displaying the licensee’s directors, officers, and board members (individual name and title). This document should be named [Company Legal Name] Management Chart. <strong>Note:</strong> If the existing uploaded management chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</th>
</tr>
</thead>
</table>
| **Organizational Chart/Description:** Submit a chart showing (or a description which includes) the percentage of ownership of:
  - Direct Owners (total direct ownership percentage must equal 100%)
  - Subsidiaries and Affiliates of the licensee
This document should be named [Company Legal Name] Organizational Chart – Description. **Note:** If the existing uploaded Organizational Chart/Description already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart. |
| **Trust Account Authorization:** Submit authorization allowing examination of trust accounts used for the purpose of holding funds belonging to others. May require multiple documents when more than one account exists. Upload each account authorization separately. This document should be named Credit Services Organization KS last 5 digits of account number. (eg. Credit Services Organization, KS, xxxx). | **Upload in NMLS:** under Management Chart in the Document Uploads section of the Company Form (MU1). **Upload in NMLS:** under Organizational Chart/Description in the Document Uploads section of the Company Form (MU1). **Upload in NMLS:** under Trust Account Authorization in the Document Uploads section of the Company Form (MU1). |
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### INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS

**Credit Report Explanations:** Items requiring a ‘Yes’ answer on the disclosure questions regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the Disclosure Explanations section of your Individual Form (MU2).

This document should be named Credit Report Explanations – Sub Name – Document Creation Date.

**Note:** Items requiring a ‘Yes’ answer on the disclosure questions regarding a criminal background should be addressed in the Disclosure Explanations section of your Individual Form (MU2).

### REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

<table>
<thead>
<tr>
<th>Complete</th>
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</table>

No items are required to be submitted outside of NMLS for this license/registration at this time.