INSTRUCTIONS FOR PREPAID SERVICE PLANS
NEW OR RENEWAL APPLICATIONS

The attached documents comprise the application necessary to obtain a Certificate of Registration as a prepaid legal or dental service plan in the State of Kansas. The completed application should be submitted to the Kansas Insurance Department for processing. Although the application is virtually self-explanatory, a few specific instructions are listed below:

1. Copies of the enabling statutes are included. There statutes require that prospective plans submit lists of individuals who will solicit memberships on heir behalf. Such lists must be updated and revised at six (6) month intervals. Prepaid service plans should make several copies of the enclosed form and submit a revised list on January 1 and July 1 each year.

2. A security deposit in the amount of $50,000 is required before issuance of a Certificate of Registration to any new prepaid service plan. No membership fees may be collected prior to issuance of the required Certificate of Registration.

3. When the amount of annual membership fees collected reaches $300,000 to $750,000, the Commissioner of Insurance retains the authority to increase the deposit required to $75,000. The Commissioner of Insurance may also increase the deposit to $100,000 when the annual membership fees exceed $750,000.

4. Prepaid service plans must submit copies of Certified Financial Audits prepared by a Certified Public Accountant, provider agreements, membership agreements, sales brochures, and other marketing material with this application. This allows the Kansas Insurance Department to determine how the plan is structured and what membership benefits are offered.

5. Questions or comments concerning this application or the application process may be directed to the Kansas Insurance Department by telephone at (785) 296-7850, Fax (785) 296-2537, postal mail to Ms. Chris Hollenbeck, Policy Examiner II, Accident & Health Division, Kansas Insurance Department 420 SW 9th Street, Topeka, KS 66612, or email chris.hollenbeck@ks.gov
STATE OF KANSAS

Prepaid Legal of Dental Service Plans
Application for New or Renewal Certificate of Registration

Name of Prepaid Service Plan:

__________________________________________

Street Address:

__________________________________________

__________________________________________

__________________________________________

Telephone No.:

__________________________________________

President of Prepaid Service Plan:

__________________________________________

Fee:

$100 New (    )
$50 Renewal (    )

Type of Prepaid Service Plan:

Legal (    )
Dental (    )
TO THE COMMISSIONER OF INSURANCE
Topeka, Kansas

On behalf of _______________________________________, of _________________________,
(Name of prepaid service plan)                                         (City)
_____________________, a prepaid service plan created under the laws of the State of
(State)
_____________________, I, _____________________________, hereby apply for a Certificate
(President)
of Registration pursuant to Kansas Statutes Annotated (K.S.A.) 40-4201, et seq., authorizing and
empowering the above named prepaid service plan to operate in the State of Kansas until such
Certificate is suspended, revoked, or terminated by the Kansas Commissioner of Insurance.

Moreover, I, ____________________________, of ____________________________________,
(President)    (Name of prepaid service plan)
pledge and certify that the above named plan will abide by the following regulations:

1. The applicant plan shall not act as a prepaid plan without a written agreement between the
   plan and the provider and a written agreement between the plan and the member.

2. Such written agreements shall be retained as part of the official records of the plan for the
duration of the agreements, and for five (5) years thereafter.

3. Such written agreements shall contain provisions that include the requirements of K.S.A.
   40-4203 through K.S.A. 40-4207.

4. Applicant plan has not had any previous applications for registration as a prepaid plan
denied within the past five (5) years.

5. Applicant plan has not had any professional, vocational, or business license denied,
suspended, revoked, or restricted by any public authority in this or any other state, nor has
any such license been subjected to a monetary fine by any public authority, not has such
license been withdrawn or surrendered to avoid disciplinary action.

6. Applicant plan has not had any judgment rendered against it in any court of any jurisdiction
of the United States for its activities relating to the transaction of business as a prepaid
service plan.

7. Applicant plan has not been declared insolvent or discharged from bankruptcy within the
last five (5) years.

8. None of applicant plan’s officers have been convicted in a criminal proceeding (excluding
minor traffic violations) within the past ten (10) years.

9. Whenever a member utilizes the services of the prepaid service plan under the terms of a
written contract required by K.S.A. 40-4202, the payment to the provider of any amount on
behalf of the member by the prepaid service plan shall be deemed payment to the provider when received.

10. Applicant plan is the following type of entity (check only one):

(   ) Individual    (   ) Partnership    (   ) Corporation

Sales Force

Attach Exhibit A (form enclosed) disclosing the information requested about those individuals who solicit memberships in the plan. (Applies to New Applications only).

Financial Information

Plan’s financial condition as of calendar year ending December 31, __________.

Capital/Surplus $_______________

Annual Membership Fees:

Total amount collected from members
Nationwide for this calendar year $_______________

Total amount collected from members
in Kansas only $_______________

Deposit

For new application – per K.S.A. 40-211 (a) (1) $ 50,000 (   )

For renewal based on scale found on instruction sheet – per K.S.A. 40-4211 (a) (3) and (4) $ 75,000 (   ) $ 100,000 (   )

Other – per K.S.A. 40-4211 (a) (2) $______________(   )

*AN ANNUAL CERTIFIED AUDIT, PREPARED BY A CERTIFIED PUBLIC ACCOUNTANT, AND COPIES OF MEMBERSHIP AND PROVIDER AGREEMENTS, MUST BE SUBMITTED ALONG WITH THIS APPLICATION.
Certification

It is hereby certified that the prepaid service plan making this application is organized under the laws of the State of _______________________, and has complied with the requirements of K.S.A. 40-4201, et seq., relating to such plan.

Finally, the undersigned swears under oath (s)he is the President of such plan, that (s)he is authorized to execute and file this application, that (s)he has read and fully understands the requirements of K.S.A. 40-4201, et seq., relating to such plan, and that the information contained in this application is true and accurate to the best of his/her knowledge.

AN ANNUAL CERTIFIED AUDIT, PREPARED BY A CERTIFIED PUBLIC ACCOUNTANT, AND COPIES OF MEMBERSHIP AND PROVIDER AGREEMENTS, MUST BE SUBMITTED ALONG WITH THIS APPLICATION.

__________________________________
Signature of Applicant (Or President if Plan is a Corporation)

Subscribed and sworn to before me this _________ day of _______________________, ________.

____________________________________
Notary Public

My Appointment Expires: _________________________.

INSURANCE DEPARTMENT
EXHIBIT A

INSURANCE SERVICE PLAN

Name of Plan:
Address:
City, State, Zip:
Telephone: (     )

Authorized Signature

Title

The official records of the above Prepaid Service Plan indicate that the following representatives are authorized in Kansas as of __________________, __________.

<table>
<thead>
<tr>
<th>SOCIAL SECURITY NUMBER*</th>
<th>REPRESENTATIVE’S NAME</th>
<th>CITY, STATE, ZIP</th>
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*Disclosure of social security number is optional. It will be used by the Kansas Insurance Department for identification purposes only.