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| LINE OF BUSINESS: | **Credit** | LINE(S) OF INSURANCE | CODES |
|  |  | Credit Property | 28.0001 |
|  |  | Single Interest | 28.0002 |
| Code: | 28.0000 |  |  |
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| IF CHECKLIST IS NOT APPLICABLE, PLEASE EXPLAIN: | |  |  |
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| REVIEW REQUIREMENTS | REFERENCE | DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS | LOCATION OF STANDARD IN FILING |
| --- | --- | --- | --- |
| GENERAL REQUIREMENTS FOR ALL FILINGS |  |  |  |
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| COPIES, RETURN ENVELOPES, ETC. |  |  |  |
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| COVER LETTER AND EXPLANATORY MEMORANDUM |  |  |  |
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| EFFECTIVE DATE WORDING | [K.S.A.40-955(i)](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0055_section/040_009_0055_k/)  [K.S.A. 40-216](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0016_section/040_002_0016_k/) | Commercial credit rates and rating rules are exempt from rate filing requirements. Form filings shall be effective on filing unless disapproved within 30 days.  Personal credit filings must be on file with the Department for a minimum of 30 days. Personal credit rates and rules must be filed for the Departments review and approval |  |
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| FILING SUBMISSION | [K.A.R. 40-5-6](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-6.pdf)  [K.A.R. 40-5-8](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-8.pdf)  [K.A.R. 40-5-9](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-9.pdf)  [K.A.R. 40-5-10](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-10.pdf)  [K.A.R. 40-5-12](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-12.pdf) | Article 5 of Kansas Administrative Regulations addresses Credit Insurance. Please see K.A.R. 40-5-1 through K.A.R. 40-5-110. |  |
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| FREE CONTRACT PROHIBITED |  |  |  |
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| LIMITATIONS/RESTRICTIONS ON TRANSACTING BUSINESS | [K.A.R. 40-5-8](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-8.pdf)  [K.A.R. 40-5-9](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-9.pdf) | K.A.R. 40-5-8 insurers are prohibited from selling single interest coverage.  K.A.R. 40-5-9 prohibits issuance of a policy that covers the interest of both a lender and a borrower. |  |
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| LINE OF AUTHORITY | [K.S.A. 40-1102](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_011_0000_article/040_011_0002_section/040_011_0002_k/) | Insurer must have credit authority. |  |
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| NAIC # |  |  |  |
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| NO FILE OR FILING EXEMPTIONS |  |  |  |
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| THIRD PARTY FILERS AUTHORITY |  |  |  |
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| GENERAL REQUIREMENTSFOR ALL FILINGS |  |  |  |
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| TRANSACTING OTHER BUSINESS |  |  |  |
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| FORMS⎯POLICY PROVISIONS |  |  |  |
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| ACCESS TO COURTS |  |  |  |
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| AMBIGUOUS & MISLEADING | [K.S.A. 40-2404(1a)](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_024_0000_article/040_024_0004_section/040_024_0004_k/) | This statute provision prohibits policy provisions that misrepresent the benefits, advantages, conditions, or terms of any insurance policy. |  |
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| APPLICATIONS | [K.A.R. 40-3-23](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-23.pdf)  [K.A.R. 40-3-25](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-25.pdf) | Requires that binder forms be filed.  Declination statement must appear on the application if written as non-standard business. |  |
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| APPRAISALS |  |  |  |
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| ARBITRATION |  |  |  |
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| ASSESSIBLE POLICIES |  |  |  |
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| BANKRUPTCY PROVISIONS |  |  |  |
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| BLANK ENDORSEMENTS | [Bulletin 1998-13](https://insurance.ks.gov/department/LegalIssues/bulletins/1998-13.html)  K.S.A. 40-216  K.A.R. 40-1-32  K.A.R. 40-1-39  K.A.R. 40-3-32 | “Blank,” “Change,” or “Manuscript” endorsement when used on an individual risk basis to broaden or restrict coverage must continue to be submitted for approval pursuant to K.S.A. 40-216 or K.A.R. 40-3-32(d) unless exempted by K.A.R. 40-3-32(b) and (c). Insurers are still required to comply with the filing requirements of K.A.R. 40-1-32 and K.A.R. 40-1-39. |  |
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| CANCELLATION & NON-RENEWAL | [K.S.A. 40-2, 120](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0120_section/040_002_0120_k/)  [K.S.A. 40-2,121](http://www.kslegislature.org/li_2016/b2015_16/statute/040_000_0000_chapter/040_002_0000_article/040_002_0121_section/040_002_0121_k/)  [K.A.R. 40-3-15](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-15.pdf)  K.A.R. 40-5-12 | K.S.A. 40-2,120 establishes the grounds for a mid-term cancellation of the policy. K.S.A. 40-2,121 establishes the grounds to non-renew a policy and the notification requirements to the policyholder. K.A.R. 40-3-15 provides a 30-day notice must be given to the policyholder in the event of a mid-term cancellation.  Consumer credit policies may not contain provisions which allow coverage to be cancelled by the insurer. |  |
| Calculation of Unearned/Return Premium | [K.S.A. 40-2,112](http://www.kslegislature.org/li_2012/b2011_12/statute/040_000_0000_chapter/040_002_0000_article/040_002_0112_section/040_002_0112_k/) | Refund for cancellation must accompany the notice or be mailed with 10 days. |  |
| Conditional Renewal |  |  |  |
| Minimum Retained Premium |  |  |  |
| Notice of Cancellation | [K.S.A. 40-2,122](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0122_section/040_002_0122_k/)  [K.A.R. 40-3-15](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-15.pdf) | Written explanation and notice and establish the time limit notification to the policyholder. |  |
| Notice of Non-renewal | [K.S.A. 40-2,121](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0121_section/040_002_0121_k/)  [K.S.A. 40-2,122](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0122_section/040_002_0122_k/) | Written explanation and notice. |  |
| Permissible Reasons for Cancellation | [K.S.A. 40-2,120](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0120_section/040_002_0120_k/) | This statute establishes the grounds for cancellation. |  |
| Permissible Reasons for Non-renewal | [K.S.A. 40-2,121](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0121_section/040_002_0121_k/)  [K.S.A. 40-2,122](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0122_section/040_002_0122_k/) | This statute establishes the grounds for non-renewal and the time limit notification to the policyholder. |  |
| Required Policy Period |  |  |  |
| Return Premium | [K.A.R. 40-1-17](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-17.pdf) | Request of the return of unearned premium by the insured shall not be required. |  |
| Suspension |  |  |  |
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| CERTIFICATIONS | [K.S.A. 40-955](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0055_section/040_009_0055_k/)  [Bulletin 2010-2](https://insurance.ks.gov/department/LegalIssues/bulletins/2010-2.pdf) | Insurance agents may not issue certificates of insurance that are not filed and approved by the Kansas Insurance Department, or which violate K.S.A. 40-95(b). |  |
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| CONSUMER INFORMATION |  |  |  |
| Credit Scoring Notice | [K.S.A. 40-5107](http://www.kslegislature.org/li/b2021_22/statute/040_000_0000_chapter/040_051_0000_article/040_051_0007_section/040_051_0007_k/)  [K.S.A. 40-5103](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_051_0000_article/040_051_0003_section/040_051_0003_k/) | These statutes require the notices for credit scoring. |  |
| Privacy Notice |  |  |  |
| VSI Warning |  |  |  |
| Notification Form |  |  |  |
|  |  |  |  |
| CONTENT OF POLICIES | [K.A.R. 40-1-15](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-15.pdf) | This regulation provides that a policy form shall not contain the name of an insurance company that is “unauthorized” to transact business in Kansas. May use an endorsement to “delete” an unauthorized company. “Unauthorized” means not licensed or has not filed program in question. |  |
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| COUNTERSIGNATURES |  |  |  |
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| DECLARATIONS PAGE | [K.A.R. 40-3-5](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-5.pdf) | This regulation requires the filing of declaration pages, unless the company is a member of a rating organization, and the rating organization has the authority to file on its behalf. |  |
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| DISCLOSURES |  |  |  |
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| DEFINITIONS |  |  |  |
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| DISCRIMINATION |  |  |  |
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| DUTY TO DEFEND |  |  |  |
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| EXCESSCOVERAGE |  |  |  |
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| EXCLUSIONS & LIMITATIONS |  |  |  |
| Lead |  |  |  |
| Mold |  |  |  |
| Terrorism |  |  |  |
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| FICTITIOUS GROUPS | [K.A.R. 40-3-6](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-6.pdf) | This regulation prohibits classifications resulting in unfair discrimination. |  |
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| FORMS MISCELLANEOUS |  |  |  |
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| FORMS⎯POLICY PROVISIONS |  |  |  |
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| GROUP POLICIES | [K.S.A. 40-955(m)](http://www.kslegislature.org/li/b2021_22/statute/040_000_0000_chapter/040_009_0000_article/040_009_0055_section/040_009_0055_k/) | Master and group policies are not allowed in P&C lines of coverage except as allowed in K.S.A. 40-955(m). |  |
| Extra-Territorial Approval Authority |  |  |  |
|  |  |  |  |
| LIMITS |  |  |  |
|  |  |  |  |
| LOSS PAYEE |  |  |  |
|  |  |  |  |
| LOSS SETTLEMENTS |  |  |  |
| Appraisal |  |  |  |
| Action Against Company | [K.S.A. 60-511](http://www.kslegislature.org/li/statute/060_000_0000_chapter/060_005_0000_article/060_005_0011_section/060_005_0011_k/) | K.S.A. 60-511 establishes the timeframe for legal actions. |  |
| After Market Parts |  |  |  |
| Arbitration |  |  |  |
| Deductibles |  |  |  |
| Defense Costs | [K.S.A. 40-953](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0053_section/040_009_0053_k/) | Defense within the limit of liability may create an excess rate level |  |
| Loss Valuation |  |  |  |
|  |  |  |  |
| NOTICE REQUIREMENTS |  |  |  |
| Payment of Loss Time Period | [K.S.A. 40-2,126](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0126_section/040_002_0126_k/) | This statute requires that an insurer pay a claim within 30 days, or the company will have to pay interest penalties. |  |
| Appraisal |  |  |  |
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| MINIMUM STANDARDS FOR CONTENT (POLICIES AND STANDARD FORMS) |  |  |  |
|  |  |  |  |
| PARTICIPATING POLICIES | [K.A.R. 40-3-6](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-6.pdf)  [K.A.R. 40-3-7](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-7.pdf)  [K.A.R. 40-3-8](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-8.pdf)  [K.A.R. 40-3-9](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-9.pdf) | These regulations place restrictions on participating policies or the payment of dividends. |  |
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| POLICY MUST CONTAIN ENTIRE CONTRACT | [K.A.R. 40-3-11](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-11.pdf) | Possession of policy in person other than insured; copy for insured. |  |
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| PREMIUM AUDIT |  |  |  |
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| PRIMARY/UNDERLYING COVERAGE |  |  |  |
| FORMS⎯POLICY PROVISIONS |  |  |  |
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| PRIOR APPROVAL |  |  |  |
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| PUNITIVE DAMAGES | [K.S.A. 40-2,115](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0115_section/040_002_0115_k/) | Punitive or Exemplary Damages are prohibited except for insured being vicariously liable. |  |
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| READABILITY |  |  |  |
|  |  |  |  |
| REBATES | [K.S.A. 40-966](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0066_section/040_009_0066_k/) |  |  |
|  |  |  |  |
| SUBROGATION | [K.A.R. 40-1-20](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-20.pdf) | Subrogation clause prohibited for certain coverages |  |
| Suit | [K.S.A. 60-511](http://www.kslegislature.org/li/statute/060_000_0000_chapter/060_005_0000_article/060_005_0011_section/060_005_0011_k/) | K.S.A. 60-511 establishes the timeframe for legal actions. |  |
|  |  |  |  |
| TIMELINESS |  |  |  |
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| USE & FILE |  | This filing type is not permitted in Kansas. |  |
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| VOIDANCE | [K.S.A. 40-2,120](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0118_section/040_002_0118_k/)  K.S.A. 40-2,121  K.S.A. 40-2,122  K.A.R. 40-3-15 | Kansas insurance law makes no provisions for the voiding or rescinding of an insurance contract. The policy may be cancelled or non-renewed in accordance with the provisions of K.A.R. 40-3-15 and K.S.A. 40-2,120 through K.S.A. 40-2,122. |  |
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| WARRANTIES | [K.A.R. 40-3-16](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-16.pdf) | Insurers cannot require insureds to make expressed or implied warranties of any fact or allegation in an application or policy. |  |
|  |  |  |  |
| OTHER |  |  |  |
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| RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS |  |  |  |
|  | [K.S.A.40-955(i)](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0055_section/040_009_0055_k/)  K.S.A. 40-316 | Commercial credit rates and rating rules are exempt from rate filing requirements. Form filings shall be effective on filing unless disapproved within 30 days.  Personal credit filings must be on file with the Department for a minimum of 30 days. Personal credit rates and rules must be filed for the Department’s review and approval. |  |
| INDIVIDUAL RISK RATING | [K.S.A. 40-954](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0054_section/040_009_0054_k/)  [K.A.R. 40-3-26](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-26.pdf) | This statue and regulation provide the procedure for rates that are modified for individual risks. |  |
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| ACTUARIAL CERTIFICATIONS FOR RATES | [K.S.A. 40-955(e)](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0055_section/040_009_0055_k/) | Commissioner may require the insurer or rating organization to provide, at their expense info necessary to evaluate the reasonableness of the filing. |  |
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| ADOPTIONS OF RATE SERVICE ORGANIZATIONS (RSO) FILINGS | [K.S.A. 40-956](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0056_section/040_009_0056_k/) | General provisions relating to Fire Insurance Companies. |  |
| Loss Costs |  |  |  |
|  |  |  |  |
| RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS |  |  |  |
|  |  |  |  |
| CONSENT-TO-RATE | [K.S.A. 40-954](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0054_section/040_009_0054_k/)  [K.A.R. 40-3-26](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-26.pdf) | This statute and regulation provide the procedure for rates that are modified for individual risks. |  |
|  |  |  |  |
| CREDIT SCORING AND REPORTS |  |  |  |
|  |  |  |  |
| CREDIBILITY |  |  |  |
|  |  |  |  |
| DEFENSE COSTS | [K.S.A. 40-953](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0053_section/040_009_0053_k/) | Defense within the limit of liability may create an excess rate level |  |
|  |  |  |  |
| DISCOUNTS |  |  |  |
|  |  |  |  |
| EXPIRATION DATE(S) FOR APPROVED RATES |  |  |  |
|  |  |  |  |
| GROUP POLICIES |  |  |  |
| Extra-Territorial Approval Authority |  |  |  |
|  |  |  |  |
| LOSS RATIO STANDARDS |  |  |  |
|  |  |  |  |
| MID-TERM CHANGES | [K.A.R. 40-1-32](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-32.pdf)  [K.A.R. 40-1-39](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-39.pdf) | These regulations establish that any mid-term changes must be done with the consent of the insured. |  |
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| LOSS COST MULTIPLIERS | [K.A.R. 40-3-47](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-47.pdf) | These regulations establish the procedures to make and file loss cost filings with this agency. |  |
|  |  |  |  |
| PREMIUM REFUND OR RETENTION | [K.A.R. 40-1-17](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-17.pdf)  [K.S.A. 40-2,112](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_002_0000_article/040_002_0112_section/040_002_0112_k/) | An insured is not required to request the return of unearned premium. |  |
|  |  |  |  |
| PRICING |  |  |  |
| Charges |  |  |  |
| Minimum Premium Rules |  |  |  |
| Multi-tier |  |  |  |
| Payment Plans | [K.A.R. 40-1-10](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-10.pdf) | This regulation addresses the filing of payment plans. |  |
| Premiums | [K.A.R. 40-5-10](https://insurance.ks.gov/documents/department/regulations-adopted/article-5/40-5-10.pdf) | This regulation addresses the requirements for the issuance of single indivisible premium. |  |
| Service Charges | [K.A.R. 40-1-9](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-9.pdf) | This regulation defines service charges as premium. |  |
| Surcharges | [K.A.R. 40-1-9](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-9.pdf) | This regulation defines service charges as premium. |  |
| Other Fees | [K.A.R. 40-1-9](https://insurance.ks.gov/documents/department/regulations-adopted/article-1/40-1-9.pdf) | This regulation defines service charges as premium. |  |
|  |  |  |  |
| RATE RANGES | [K.S.A. 40-953](http://www.kslegislature.org/li/b2021_22/statute/040_000_0000_chapter/040_009_0000_article/040_009_0053_section/040_009_0053_k/) | Range of Rates are not permitted in Kansas |  |
|  |  |  |  |
| RATING PLAN REQUIREMENTS |  |  |  |
| Expense Modification Plan |  |  |  |
| Experience Rating |  |  |  |
| Large Deductible |  |  |  |
| Retrospective Rating |  |  |  |
| Schedule Rating |  |  |  |
| Small Deductible |  |  |  |
| Wrap-up Rating |  |  |  |
|  |  |  |  |
| RATE/LOSS COST SUPPORTING INFORMATION | [K.S.A. 40-954](http://www.kslegislature.org/li/statute/040_000_0000_chapter/040_009_0000_article/040_009_0054_section/040_009_0054_k/) | The insurance company must provide premium, loss and expense data. If losses or premiums are adjusted, the company must submit exhibits supporting the adjustments. This requirement applies to rates, loss cost multipliers, loss cost modification factors, changes to the classification plans, increased limit factors and territory revisions. |  |
| Competition |  |  |  |
| Expenses |  |  |  |
| Experience |  |  |  |
| Judgment |  |  |  |
| Credibility |  |  |  |
| Profit Loading |  |  |  |
|  |  |  |  |
| RETURN ON EQUITY/INVESTMENT INCOME | [K.A.R. 40-3-45](https://insurance.ks.gov/documents/department/regulations-adopted/article-3/40-3-45.pdf) | This regulation requires that investment income be factored into the rates. |  |
|  |  |  |  |
| SUPPORTING DATA |  |  |  |
|  |  |  |  |
| OTHER |  |  |  |