

**Kansas Administrative Regulations
Agency 40. Insurance Department
Article 5. Credit Insurance**

40-5-10 Credit insurance; fire and extended coverage; issuance for single indivisible premium; requirements.

Fire and extended coverage insurance permitted by Kansas administrative regulation 40-5-6 may be issued for a single indivisible premium subject to the following requirements:

- (a) The location of the property insured shall be extended by the policy provisions to insure the property at any location within the continental limits of the United States.
- (b) The maximum amount of insurance permitted under this policy shall not exceed \$10,000.
- (c) The insurer shall be required to obtain a statement from the insured that indicates all of the following:
 - (1) No other valid and collectible insurance on the insured property exists.
 - (2) The purchase of insurance from any insurer or agent was the choice of the insured.
 - (3) The purchase of insurance in connection with the credit transaction is entirely voluntary and not a prerequisite to the extension of credit.
- (d) The creditor shall not refuse or decline the insurance provided by the consumer except for reasonable cause.

(Authorized by K.S.A. 40-103, 16a-4-112; implementing K.S.A. 16a-4-301, 16a-4-111; effective Jan. 1, 1966; amended Jan. 1, 1974; amended May 1, 1979; amended May 1, 1986; amended May 1, 1987; amended Oct. 30, 1998.)