

115-10-3. Special surety bond procedure. (a) Each special surety bond authorized by the secretary shall be issued for the period specified in the special surety bond and shall meet the following requirements:

(1) each applicant shall complete an application form which shall include the following information:

- (A) the name, age, address and occupation of the applicant;
- (B) the amount of bond requested and the proposed effective date of bond;
- (C) the vendor agent number; and
- (D) three credit references.

(2) each applicant shall certify the facts represented in the application. Any applicant may be required by the secretary to provide the department, at applicant's expense, a current audited financial statement;

(3) each applicant shall agree to be firmly bound to the state of Kansas and to fully indemnify the department for all losses to the state of Kansas arising out of the applicant's actions as a vendor agent; and

(4) each applicant shall authorize the applicant's officer or agent executing the prescribed application form and special surety bond to fully bind and represent the applicant in all activities undertaken as an authorized vendor agent, and shall provide evidence of this authority as required by the secretary.

(b) Each application shall be accompanied by a fee, as established by K.A.R. 115-2-1, that shall be applied to the one-year bond premium period. The fee shall be returned to the applicant if the applicant is not authorized to act as a vendor agent. (Authorized by K.S.A. 1989

Supp. 32-807;implementing K.S.A. 1989 Supp. 32-985; effective April 30, 1990.)