

75-6-35. Net worth requirements. (a) Each applicant for a supervised loan license and each licensee who engages in or intends to engage in making loans secured by an interest in real property or contracts for deed shall comply with both of the following requirements:

(1) Each applicant shall maintain a minimum positive net worth of \$250,000. Positive net worth shall show that the aggregate assets, excluding all intangible assets and receivables from related entities, exceeds liabilities, as determined in accordance with United States generally accepted accounting principles. The administrator may issue an exception to this positive net worth requirement.

(2) at least 20% or \$100,000 of the net worth of each applicant, whichever is less, shall be comprised of liquid assets consisting of cash or readily marketable securities registered on a national securities exchange.

(b) As evidence that the applicant is in compliance with subsection (a), each applicant and licensee shall submit annually to the administrator, on or before January 1, a current and complete financial statement, accompanied by a written statement signed by an independent certified public accountant attesting that the statement has been reviewed and is in compliance with generally accepted accounting principles. For the purposes of this regulation, a current financial statement shall be one that was prepared within the preceding 12 months. (Authorized by and implementing K.S.A. 2004~~2024~~ Supp. 16a-2-302(2)(b), as amended by L. 2005, ch. 144, sec. 9; effective Jan. 6, 2006; amended T-\_\_\_\_\_.)

APPROVED

MAR 05 2025

DEPT. OF ADMINISTRATION

APPROVED

APR 25 2025

ATTORNEY GENERAL

APPROVED

JUN 05 2025

DIVISION OF THE BUDGET