



ARIZONA COMMERCIAL MORTGAGE BROKER BRANCH AMENDMENT CHECKLISTS

INSTRUCTIONS

1. You can only make amendments to your license if your license status is in an “APPROVED” or “APPROVED – DEFICIENT” or “APPROVED – INACTIVE” status. Please contact AzDFI Licensing Division with any questions.
2. **AMENDMENTS:** All amendments must be reported to AzDFI in a timely manner, penalties may be assessed for not complying.
3. **NOTE:** If the company structure changes (for example: your Tax Identification Number changes and/or you change from a Sole Proprietor to an LLC or to a Corporation, etc.), a new MU1 and a new license application must be completed. The current company would need to be closed/terminated on NMLS and your license would need to be surrendered.
4. **UPDATE MU1 AND/OR MU2:** Each amendment included on this Amendment Checklists form requires you to also update your MU1 and/or MU2. ***IMPORTANT NOTE: CHANGES IN CONTROL MUST HAVE PRIOR APPROVAL FROM AZDFI BEFORE THE CHANGE CAN BE COMPLETED.***
5. [Branch Manager Amendment Checklist](#) – Click to go to checklist.
6. [Duplicate License Request Checklist](#) – Click to go to checklist.
7. [Name Amendment Checklist](#) – You will need to complete and submit the Name Amendment Checklist located on the Commercial Mortgage Broker Amendment Checklist.
8. [Address Amendment Checklist](#) – Click to go to checklist.
9. [Responsible Individual \(“RI”\) Amendment Checklist](#) – You will need to complete and submit the Responsible Individual Amendment Checklist located on the Commercial Mortgage Broker Amendment Checklist.
10. [Officer, Director and/or Member Amendment Checklist](#) – You will need to complete and submit the Officer, Director and/or Member Amendment Checklist located on the Commercial Mortgage Broker Amendment Checklist.
11. [Ownership/Control Amendment Checklist](#) – You will need to complete and submit the Ownership/Control Amendment Checklist located on the Commercial Mortgage Broker Amendment Checklist.
12. [Change the License Status from Inactive to Active](#) – You will need to complete and submit the Change the License Status from Inactive to Active Amendment Checklist located on the Commercial Mortgage Broker Amendment Checklist.
13. [Conversion of a Mortgage Broker License to a Commercial Mortgage Broker License Checklist](#) – You will need to complete and submit the Conversion of a Mortgage Broker License to a Commercial Mortgage Broker License Amendment Checklist located on the Commercial Mortgage Broker Amendment Checklist.
14. All fees that are collected through NMLS ARE NOT REFUNDABLE.
15. AzDFI will review the Amendment request and all required documents and then communicate with the licensee through NMLS if there are any deficiencies.

16. A new license will only be issued when there is a change in the address, change in the licensee's name or change in the Responsible Individual. **NOTE:** A change in the Responsible Individual will only require the issuance of a new main license. An address change will only require the issuance of a new license for the licensed location affected by the new address. A new license will be issued for all licensed locations when there is a change to the name of the licensed entity.
17. Jurisdiction-specific requirements, as identified on the checklist(s) below, must be uploaded into NMLS or emailed to AzDFI within 5 business days of the electronic submission of your Amendment request through the NMLS.

You may submit documents to AzDFI electronically using AzDFI's encrypted message service.

[AzDFI Encrypted Message Service Instructions](#)
[AzDFI Encrypted Message Service](#)

WHO TO CONTACT – For questions regarding Arizona requirements and/or guidelines, contact the licensing Division of the Arizona Department of Financial Institutions (“AzDFI”) by phone at (602) 771-2800 or send your questions via e-mail to licensing@azdfi.gov.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF ARIZONA STATE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING/AMENDING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE YOUR APPLICATION/AMENDMENT THROUGH NMLS. AzDFI HAS A LINK TO THE ARIZONA STATUTES AND RULES ON ITS WEBSITE AT <u>www.azdfi.gov</u> . SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

BRANCH MANAGER AMENDMENT CHECKLIST

COMPLETED /ATTACHED	NOT APPLICABLE	ITEM
		<p>Submit an amendment for a change in the Branch Manager within the Branch Form (MU3) in NMLS.</p> <p>Requirements for a Person Intended to Oversee a Branch Office:A person designated to oversee the operations of a branch office shall be knowledgeable about the branch activities of the licensee, supervise compliance by the branch with applicable law and rules, and have sufficient authority to ensure such compliance. One person may oversee more than one branch.</p>

**INFORMATION on
CHANGING A
BRANCH MANAGER**

DUPLICATE LICENSE REQUEST CHECKLIST

NMLS Entity ID #: _____

AZ Main License #: _____

Entity Legal Name: _____

AZ License Name (including any DBA): _____

COMPLETED / ATTACHED	NOT APPLICABLE	ITEM
		<p><u>INFORMATION on REQUESTING A DUPLICATE LICENSE</u></p> <p>Beginning October 1, 2010, AzDFI began to issue licenses electronically. Therefore, you will no longer be issued a paper license from AzDFI for any licensed location. Each licensee is still responsible to print and prominently post the license for each licensed location.</p>
<p>Arizona Revised Statutes Section 6-126(A)(26) states "The following nonrefundable fees are payable to the department with the filing of the following applications: To issue a duplicate or replace a lost enterprise's license, one hundred dollars."</p>		
<input type="checkbox"/>		<p>List the Arizona license number and/or Arizona branch license number(s) that you are requesting a duplicate license be issued: _____</p> <p>_____</p> <p>_____</p>
<p>The duplicate license will be emailed to the email address on record with AzDFI.</p>		
N/A		<p>Submit this checklist to AzDFI via email. You will be invoiced through NMLS for the \$100.00 fee.</p> <p>You may submit documents to AzDFI electronically using AzDFI's encrypted message service.</p> <p><u>AzDFI Encrypted Message Service Instructions</u></p> <p><u>AzDFI Encrypted Message Service</u></p>
<p>INDIVIDUAL TO CONTACT REGARDING THIS AMENDMENT REQUEST</p>		<p>Name: _____ Title: _____</p> <p>Phone number & extension: _____</p> <p>Email: _____</p>
<p>AUTHORIZED SIGNOR</p>		<p>_____</p> <p>Signature Print Name & Title</p>

ADDRESS AMENDMENT CHECKLIST

COMPLETED /ATTACHED	NOT APPLICABLE	ITEM
		<p><u>INFORMATION on REQUESTING AN ADDRESS AMENDMENT</u></p> <p>If the address of the principal place of business or of any branch office is changed, the licensee shall notify the Superintendent of the change within five business days after the occurrence of the change of location. Together with such notice, the licensee shall provide to the Department the license for the office changing addresses together with the fee required by A.R.S. § 6-126 for changing the address of an office. A copy of such license shall continue to be displayed at the place of business until a new license is issued.</p>
N/A	<input type="checkbox"/>	<p>COMMERCIAL LOCATION: If the location is a commercial office location, then upload into NMLS or email to AzDFI a copy of the lease agreement. If there is a sublease, then include a copy of both the sublease agreement and the original lease agreement with this amendment checklist.</p> <p>Upload in NMLS: under the Document Type <u>Branch Written Agreement</u> in the <u>Document Uploads</u> section of the Branch Form (MU3).</p>
N/A		<p>ADDRESS AMENDMENT FEE: \$50.00 for each licensed location that is amending its address. This fee will be collected through NMLS, either when the change is submitted or invoiced separately after the change is submitted.</p>

Arizona Revised Statutes Sections 6-903(R) and 6-944(A) state, in pertinent part, that a license is “**not transferable or assignable**”.

Engaging in any of the activities listed below, commonly referred to as “net branching,” can result in AzDFI taking regulatory enforcement action up to and including license revocation and the imposition of a civil money penalty of not more than **five thousand dollars (\$5,000.00)** for each violation for each day. THIS IS NOT AN EXHAUSTIVE LIST.

- **DON'T** transfer or assign your Commercial Mortgage Broker Branch or Broker license to “branch managers” or “owners.”
- **DON'T** require branch managers to pay for branch start up costs, including, but not limited to, the cost of branch office licenses, bank account deposits, background checks, accounting fees, HUD license fees, security deposits, training, payroll fees, and loan software fees.
- **DON'T** require branch managers to sign agreements to pay monthly fees for using your license.
- **DON'T** fail to assume responsibility and liability for branch office leases that are rightfully your responsibility. You or your designated officers should sign rent and equipment leases, not branch managers.
- **DON'T** fail to assume the responsibility and liability for branch office equipment leases that are rightfully your responsibility. Branch managers should not sign these leases.
- **DON'T** fail to assume the responsibility and liability for utilities, office supplies and equipment, appraisals, alarm equipment, and any other bills incurred by branches. Bills, utilities, and invoices should be in licensee’s name.
- **DON'T** inform the Better Business Bureau that your branches are independent.
- **DON'T** fail to account for all branch income and expenses on tax returns and on financial statements.
- **DON'T** fail to maintain physical access to your branches at all times.
- **DON'T** fail to maintain control over the payment of your branch expenses.
- **DON'T** fail to maintain a uniform settlement service fee structure among all of your

branch offices. Borrowers should be able to pay the same fees at any office. You should not allow branch managers to set their own fee structure.

- **DON'T** pay W-2 income to companies owned by branch managers in an attempt to evade taxes.
- **DON'T** fail to employ practices and procedures consistent with all HUD guidelines.
- **DON'T** fail to maintain control over branch bank accounts or allow branch managers to write payroll checks and reimburse themselves for expenses.

For more information, please access www.hudclips.org and click on “Access HUD Letters and Notices from past years” to read, among other things, Mortgagee Letter 00-15, which addresses “Prohibited Branch Arrangements.”