



## Company New Application Checklist

### Agency Requirements



## ARIZONA COMMERCIAL MORTGAGE BROKER

This document includes instructions for a company (corporation location) new application request. If you need to complete a new application for a branch location; refer to the appropriate new application checklists.

There is a non-refundable application fee of \$800.00 which is collected through NMLS. There is a NMLS non-refundable processing fee of \$100.00 and is collected by NMLS. In addition, if a CBC is required, a fee of \$36.26 will be added per FBI Criminal Background Check authorization and collected by NMLS.

**Use the checklist below to complete the requirements for Arizona Department of Financial Institutions.** The checklist provides instructions and requirements for information to be entered in NMLS, the documents that must be uploaded into NMLS, as well as the documents that must be sent outside NMLS.

For help with the NMLS application, see the [Quick Guide for submitting a complete Company Form](#) filing through NMLS.

Agency specific requirements marked **Filed in NMLS** must be completed and/or uploaded in NMLS; this information will not be viewable to the agency until the application has been submitted through NMLS.

For help with document uploads, see the [Quick Guide for document upload in NMLS](#)

**Note:** Financial statements are uploaded separately under the Filing tab, “Financial Statement” submenu. All other documents are uploaded in the Filing tab under the “Document Upload” section of the company form.

**You may submit documents to AzDFI electronically using AzDFI’s encrypted message service (Please include your company name and NMLS number in the subject).**

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

FILED IN NMLS	ATTACHED	NOT APPLICABLE	ARIZONA COMMERCIAL MORTGAGE BROKER
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Other Trade Name:</b> DBA's should be listed under Other Trade Names on the NMLS Company Form. Arizona Department of Financial Institutions requires a separate license for each "Other Trade Name". To do business under a "DBA" or a "Trade Name", you must register your DBA or Trade Name. Contact the <a href="#">Arizona Secretary of State</a>. You must submit an approved copy of your certificate of Trade Name registration with your application. You may only transact business in the name approved and listed on your AzDFI license. Upload a copy of your Trade Name Certificate into NMLS.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Resident/Registered Agent:</b> The Resident/Registered Agent section of the NMLS Company Form should be completed with the information currently on record with the Arizona Corporation Commission.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Bank Account:</b> Bank account information is not required; this field can be left blank on the company form.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Qualifying Individual:</b> The person who will be your Responsible Individual must be listed as the Qualifying Individual on NMLS for Arizona.</p> <p><b><u>THE RESPONSIBLE INDIVIDUAL MUST:</u></b></p> <ul style="list-style-type: none"> <li>• Be a resident of this state and shall be in active management of the activities of the licensee in this state during the entire period of designation as the RI on the license.</li> <li>• A W2 employee of the company (an employee <b>does not include</b> an independent contractor).</li> <li>• Be a person of stability as indicated by their credit report and employment history.</li> <li>• Have not less than three years' experience in the commercial mortgage broker business or equivalent lending experience in a related business during the five years immediately preceding the time of application.</li> </ul> <p><b><u>"Active management"</u></b> means directing a licensee's activities by a responsible individual, who: Is knowledgeable about the licensee's Arizona activities; Supervises compliance with: The laws enforced by the Department of Financial Institutions as they relate to the licensee, and Other applicable laws and rules; and Has sufficient authority to ensure compliance.</p> <p><b><u>"Resident of this state"</u></b> means a natural person domiciled in Arizona.</p> <p><b><u>"Responsible individual"</u></b> or <b><u>"responsible person"</u></b> as those terms are used in A.R.S. §§ 6-903, 6-943, 6-973, and 6-976, means a resident of this state who: Lives in Arizona during the entire period of designation as the responsible individual on a license; Is in active management of a licensee's affairs; Meets the qualifications listed in A.R.S. §§ 6-903, 6-943, or 6-973; and Is an officer, director, member, partner, employee, or trustee of a licensed entity.</p>

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<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Verification of Experience:</b> For the Responsible Individual/Qualifying Individual described above, provide the following documentation</p> <ul style="list-style-type: none"> <li>• Provide letters, on company letterhead, from current and/or past employers. The letters must provide job description and dates, month/day/year, of employment.</li> </ul> <p>Upload in NMLS under the Document Type <u>Verification of Experience</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p> <p><b>Note:</b> W2's, resumes, personal references or education is not proof of job experience.</p> <p>This document should be named <i>[Document Type] – License Name</i>.</p>
<input type="checkbox"/>	N/A	N/A	<p><b>MU2 Individual FBI Criminal Background Check Requirements:</b> The following Individuals, as specified below, on the Company Form (MU1) are required to authorize a FBI criminal background check (CBC) through NMLS.</p> <p><i>Direct Owners</i></p> <ul style="list-style-type: none"> <li>• Only those individuals who have the power to vote more than 20% of the outstanding voting shares and have not had a CBC done during the previous 12 months.</li> </ul> <p><i>Qualifying Individuals</i></p> <ul style="list-style-type: none"> <li>• Those individuals who have not had a CBC done during the previous 12 months.</li> </ul> <p>After authorizing a FBI criminal background check through the submission of the Company Form (MU1) and Individual Form (MU2), you must schedule an appointment to be fingerprinted if new prints are required.</p> <p>See the <a href="#">Quick Guides - Company section</a> of the NMLS Resource Center for more information.</p> <p><b>Note:</b> If you are able to 'Use Existing Prints' to process the FBI criminal background check, you DO NOT have to schedule an appointment. NMLS will automatically submit the fingerprints on file.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Disclosure Questions:</b> Provide a complete explanation for any "Yes" response. Upload a copy of any applicable orders and/or supporting documents in NMLS.</p>
<input type="checkbox"/>	N/A	N/A	<p><b>Financial Statements:</b> Upload the most current <b>Un-Audited Financial Statements</b> on the applicant. <b>NOTE: Must be solvent as defined under <a href="#">A.R.S. Section 47-1201</a>.</b></p> <p>The financials shall include the following:</p> <p>(a) A balance sheet prepared within the immediately preceding six months and certified by the licensee. The superintendent may require a more recent balance sheet.</p> <p>(b) If the applicant has begun operations, a statement of operations and</p>

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			<p>retained earnings and a statement of changes in financial position.</p> <p>(c) Notes to the financial statement if applicable.</p> <p>Applicants whose own resources are derived exclusively from correspondent contracts with institutional investors shall provide the superintendent with a current financial statement or that of its parent company prepared according to generally accepted accounting principles, including:</p> <ol style="list-style-type: none"> <li>1. A balance sheet prepared within the immediately preceding six months and certified by the licensee. The superintendent may require a more recent balance sheet.</li> <li>2. If the applicant has begun operations, a statement of operations and retained earnings and a statement of changes in financial position.</li> <li>3. Notes to the financial statement if applicable.</li> </ol>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Certificate of Authority/Good Standing Certificate:</b> Upload your current Arizona Certificate of Good Standing demonstrating that the corporation or limited liability company (LLC) exists or is authorized to do business in Arizona.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Formation Document:</b> Upload a certified copy of:</p> <ul style="list-style-type: none"> <li>• The Corporate Charter or Articles of Incorporation (if a corporation), or</li> <li>• The Articles of Organization and Operating Agreement (if a Limited Liability Company), or</li> <li>• The Partnership Agreement (if a partnership of any form).</li> </ul>
<input type="checkbox"/>	N/A	N/A	<p><b>Surety Bond.</b> Upload your Surety Bond into NMLS. You must contact AzDFI at <a href="mailto:licensing@azdfi.gov">licensing@azdfi.gov</a> for guidance if you will be using Cash or Cash Alternatives in lieu of a Surety Bond.</p> <p><b><a href="#">Arizona Surety Bond Form</a></b></p> <p><b>If your investors are limited solely to Institutional Investors, the Surety Bond amount is \$10,000. Otherwise, the Surety Bond amount is \$15,000.00</b></p> <p>"Institutional investor" means a state or national bank, a state or federal savings and loan association, a state or federal savings bank, a state or federal credit union, a federal government agency or instrumentality, a quasi-federal government agency, a financial enterprise, a licensed real estate broker or salesman, a profit sharing or pension trust, or an insurance company.</p>
N/A	N/A	N/A	<p><b>RECORD STORAGE:</b> <u>If you wish to keep your records on a computer or mechanical record keeping system, please contact AzDFI at <a href="mailto:licensing@azdfi.gov">licensing@azdfi.gov</a>.</u></p>

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N/A	N/A	N/A	<p><b>PERSONAL FINANCIALS:</b> Each individual who has the ability to vote more than 20% of the outstanding voting shares of the applicant shall upload into NMLS a personal financial statement. <a href="#">AzDFI Personal Financial Statement</a>.</p> <p><b>Upload in NMLS:</b> under the Document Type <u>Personal Financial Statement</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p> <p>This document should be named <i>[State Abbreviation] – Personal Financial Statement</i>.</p>
N/A	N/A	<input type="checkbox"/>	<p><b>Documentation of Citizenship or Alien Status:</b> If you are applying as a sole proprietor, Arizona requires a copy of appropriate documentation of citizenship or alien status. This will need to be uploaded into NMLS. Please refer to <a href="#">A.R.S. Section 41-1080</a>.</p> <p><b>Upload in NMLS:</b> under the Document Type <u>Legal Name/Status Documentation</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p> <p>This document should be named <i>[Document Name]</i>.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Business Plan:</b> Upload a business plan outlining the following information:</p> <ul style="list-style-type: none"> <li>• Marketing strategies</li> <li>• Products</li> <li>• Target markets</li> <li>• Operating structure the applicant intends to employ</li> </ul> <p>Upload this document in NMLS under the Document Type Business Plan in the Document Uploads section of the Company Form (MU1). This document should be named <i>[Company Legal Name] Business Plan</i>.</p> <p><b>Note:</b> If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded. A company should only upload a single business plan. If state-specific material is required, this information should be added to the existing uploaded business plan.</p>
<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Management Chart:</b> Submit a Management chart displaying the applicant’s divisions, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.</p> <p>Upload this document in NMLS under Management Chart in the Document Uploads section of the Company Form (MU1). This document should be named <i>[Company Legal Name] Management Chart</i>.</p> <p><b>Note:</b> If the existing uploaded management chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p>

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<input type="checkbox"/>	N/A	<input type="checkbox"/>	<p><b>Organizational Chart/Description:</b> Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> <li>• Direct Owners (total direct ownership percentage must equate to 100%)</li> <li>• Indirect Owners</li> <li>• Subsidiaries and Affiliates of the applicant/licensee</li> </ul> <p>Upload this document in NMLS under Organizational Chart/Description in the Document Uploads section of the Company Form (MU1). This document should be named [Company Legal Name] Organizational Chart – Description.</p> <p><b>Note:</b> If the existing uploaded Organizational Chart/Description already includes the above information, an additional document does not need to be uploaded</p>
N/A	N/A	N/A	<p><b>FEES:</b> Once your application has been approved, you will be invoiced for the pro-rated licensing fee. The license will not be issued until AzDFI has received the pro-rated license fee.</p>

**IMPORTANT:** You should review the statutes (Arizona Revised Statutes Title 6, Chapter 9, Article 1) and rules (Arizona Administrative Code Title 20, Chapter 4) for Mortgage Brokers. The statutes and rules provide definitions, licensing requirements and licensing exemptions. We have a link to the statutes and rules on our website at [www.azdfi.gov](http://www.azdfi.gov). You may also click on the word [statute](#) or [rules](#) to link you directly to them.

**Notice to Applicants**  
**Effective July 3, 2015:**

**In accordance with [A.R.S. §41-1030](#)**

- An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.
- This statute may be enforced in a private civil action and relief may be awarded against the state. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against the state for a violation of this section.
- A state employee may not intentionally or knowingly violate this statute. A violation of this statute is cause for disciplinary action or dismissal pursuant to the agency’s adopted personnel policy.

This statute does not abrogate the immunity provided by [A.R.S. §12-820.01](#) or [A.R.S. §12-820.02](#).

The regulator will review the filing and all required documents and communicate with you through NMLS. To review your status or see detailed communication from the regulator, click on the Composite View tab and then click on View License/Registration in NMLS see ([License Status Quick Guide](#)) for instruction.

**WHO TO CONTACT** – Contact Licensing Division staff by phone at (602) 771-2800 or send your questions via e-mail to [licensing@azdfi.gov](mailto:licensing@azdfi.gov) for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.