



MD Collection Agency License New Application Checklist (Company)

CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements/Documents Uploaded in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)

GENERAL INFORMATION

Who Is Required to Have This License?

This license is required for the executive office of any person (defined in Md. Code Ann., Bus. Reg. §1-101) doing business as a collection agency. See Maryland Code Annotated, Business Regulation Article §7-101 *et seq* for information.

Activities Authorized Under This License

This license authorizes the following activities...

- Active debt buying (undertakes direct collections on accounts)
- First party debt collection
- Judgement Recovery
- Repossession agency activities
- Repossession agent activities
- Third party debt collection

Pre-Requisites for License Applications

- Electronic Surety Bond (ESB) in the amount of \$5,000 must be provided through NMLS. See the [Electronic Surety Bond item](#) below.

Maryland Commissioner of Financial Regulation provides a .pdf file to allow the licensee to print a paper license for this license type.

Document Uploads Guidance

Documents that must be uploaded to the *Document Uploads* section of the Company Form (MU1) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.

- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact *Maryland Commissioner of Financial Regulation* licensing staff by phone at *(410) 230-6100* or *toll free at 888-784-0136*, or send your questions via email to finreg.licensing@maryland.gov for additional assistance.

For U.S. Postal Service or Overnight Delivery:
Maryland Commissioner of Financial Regulation
Attention: Licensing Unit
500 N. Calvert St., Suite 402
Baltimore, MD 21202

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 NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

Complete	MD Collection Agency License	Submitted via...
<input type="checkbox"/>	MD License/Registration Fee: \$350 NMLS Initial Processing Fee: \$0	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	MD Collection Agency License	Submitted via...
<input type="checkbox"/>	Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.	NMLS

<input type="checkbox"/>	<p>Other Trade Name: If operating under a name that is different from the applicant’s legal name, that name (“Trade Name”, “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section of the Company Form (MU1). MD does not limit the number of other trade names.</p> <p>If operating under an “Other Trade Name”, upload a trade name registration certificate issued by the Maryland Department of Assessments and Taxation</p> <p>This document should be named [<i>State-License Type</i>] <i>Trade Name – Assumed Name</i>.</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Resident/Registered Agent: The Resident Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1) and must match the information currently on record with MD.</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Primary Company Contact. 2. Primary Consumer Complaint Contact. 	<p>NMLS</p>
<p>Note</p>	<p>Non-Primary Contact Employees: MD does not require any non-primary contacts to be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p>	<p>N/A</p>
<p>Note</p>	<p>Bank Account: Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.</p>	<p>N/A</p>

Complete	MD Collection Agency License	Submitted via...
<input type="checkbox"/>	<p>Disclosure Questions: Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2).</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p>	<p>Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>
<p>Note</p>	<p>Qualifying Individual: The <i>Qualifying Individual</i> section is not required to be completed for MD on the Company Form (MU1).</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1).</p>	<p>NMLS</p>
<p>Note</p>	<p>Credit Report: Individuals in a position of control are NOT required to authorize a credit report through NMLS.</p>	<p>N/A</p>

Note	<p>MU2 Individual FBI Criminal Background Check Not Required Through NMLS: Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS.</p>	
<input type="checkbox"/>	<p>Electronic Surety Bond: Electronic Surety Bond via NMLS in the amount of \$5,000 furnished and submitted by a surety company authorized to conduct business in Maryland.</p> <p>See the ESB Adoption Table and the ESB for NMLS Licensees page of the NMLS Recourse Center for more information.</p> <p>Note: Changes in the number of branch locations affects the amount required for the surety bond. The amount of the Electronic Surety Bond submitted must be increased by \$5,000 through NMLS for the additional branch location.</p> <p>Note: Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p>	<p>Electronic Surety Bond in NMLS</p>

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	MD Collection Agency License	Submitted via...

Business Plan: Upload a business plan outlining the following information:

- Marketing strategies
- Products
- Target markets
- Fee schedule
- Operating structure the applicant intends to employ.
- A general description of the company's business model.
- A list of services contemplated to be offered to Maryland consumers.
- A list of vendor or affiliate relationships, and the activities and/or services that the proposed vendors or affiliates will provide.
- Answer the following questions regarding Maryland business activity:
 1. Has applicant ever engaged in any collection agency business activity in Maryland? Yes No If "Yes," provide an explanation as noted in questions 2 and 3 below.
 2. If the answer to #1 is "Yes," did applicant hold a Maryland Collection Agency License at the time collection agency business activity was conducted? Yes No If "Yes," provide Maryland Collection Agency License No. _____
 3. If the answer to #2 is "No," was applicant exempt from licensing during all of the time that collection agency business activity was conducted? Yes No If "Yes," provide an explanation of exemption claimed as instructed below.
 4. EXPLANATION OF MARYLAND BUSINESS ACTIVITY: If applicant engaged in collection agency business activity other than while licensed or exempt from licensing, attach a detailed explanation that includes:
 - a) Date(s) collection agency activity was conducted;
 - b) Name(s) of each consumer involved;
 - c) Amount of fees collected from each consumer;
 - d) Copies of related consumer correspondence;
 - e) All locations where collection agency business activity was conducted; and
 - f) All other relevant documentation.
 5. Have YOU ever applied for and been denied a license issued by the Department of Labor or any other governmental unit of Maryland or any other state? Yes No
___ For each denial, describe license type, identification of the

Upload in NMLS: under the Document Type Business Plan in the Document Uploads section of the Company Form (MU1).

This document should be named *[Company Legal Name] Business Plan*.

	<p>unit that denied, date of the denial and reason(s) for the denial. “You” refers to any persons, including owners, partners, members, directors, officers and control persons, that are part of the application, including any business entity. If a business entity is the owner, than the response must be from the persons that are part of that entity.</p> <p>6. Have YOU ever been issued a license by the Commissioner? Yes _____No For each license, list license type, the name used, the license number and term.</p> <p>7. Will YOU be or are YOU now directly or indirectly paying or providing any form of compensation to any person other than a bona fide employee for referrals to the licensed business? Yes _____No Provide a written description of the relationship and any applicable supporting documentation.</p> <p>Note: 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"/>	<p>Certificate of Authority/Good Standing Certificate: If the applicant's state of formation is <u>not</u> Maryland, upload State-issued and approved documents (typically by the Secretary of State’s office), dated not more than 60 days prior to the filing of the application through NMLS, that demonstrate authorization to do business in the applicant’s state of formation.</p> <p>This document should be named <i>[[State prefix] Certificate of Authority OR [State prefix] Certificate of Good Standing]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Company Staffing and Internal Policies: Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> • Enterprise-wide risk management • Compliance management system/internal controls This document should be named <i>[Name of Policy]</i>. 	<p>Upload in NMLS: under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Document Samples: Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Copies of representative contracts, consumer agreements, disclosures, and any other relevant documents that are required by Maryland law to be used in the proposed business activities. <p>This document should be named <i>[Name of Document Sample]</i>.</p>	<p>Upload in NMLS: under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

Complete	MD Collection Agency License	Submitted via...
----------	------------------------------	------------------

<input type="checkbox"/>	<p>Formation Documents: Determine classification of applicant’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p>Sole Proprietor</p> <ul style="list-style-type: none"> No documentation required. <p>Unincorporated Association:</p> <ul style="list-style-type: none"> By-Laws or constitution (including all amendments). <p>General Partnership:</p> <ul style="list-style-type: none"> Partnership Agreement (including all amendments). <p>Limited Liability Partnership:</p> <ul style="list-style-type: none"> Certificate of Limited Liability Partnership; and Partnership Agreement (including all amendments). <p>Limited Partnership:</p> <ul style="list-style-type: none"> Certificate of Limited Partnership; and Partnership Agreement (including all amendments). <p>Limited Liability Limited Partnership:</p> <ul style="list-style-type: none"> Certificate of Limited Liability Limited Partnership; and <input type="checkbox"/> Partnership Agreement (including all amendments). <p>Limited Liability Company (“LLC”):</p> <ul style="list-style-type: none"> Articles of Organization (including all amendments); Operating Agreement (including all amendments); IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and <input type="checkbox"/> LLC resolution if authority not in operating agreement. <p>Corporation:</p> <ul style="list-style-type: none"> Articles of Incorporation (including all amendments); By-laws (including all amendments), if applicable; Shareholder Agreement (including all amendments), if applicable; IRS Form 2553 if S-corp treatment elected; and Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable. <p>Trust (Statutory)</p> <ul style="list-style-type: none"> Certificate of Trust; and Governing instrument (all amendments). 	<p>Upload in NMLS: under <u>Formation Document</u>” in the <i>Document Uploads</i> section of the Company Form (MU1). This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>
<input type="checkbox"/>	<p>Management Chart: Submit a Management chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p> <p>Note: 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>	<p>Upload in NMLS: under <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

Complete	MD Collection Agency License	Submitted via...
----------	------------------------------	------------------

<input type="checkbox"/>	<p>Organizational Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners • Subsidiaries and Affiliates of the applicant/licensee <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p> <p>Note: If the existing uploaded Organizational Chart/Description already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p>	<p>Upload in NMLS: under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Trust Account Authorization: Submit authorization allowing examination of trust accounts used for the purpose of holding funds belonging to others. May require multiple documents when more than one account exists. Upload each account authorization separately.</p> <p>This document should be named <i>[License Type]; [Indicate State]; [last 5 digits of account number]</i>. (eg. <i>Debt Management, MD, xxxxx</i>)</p>	<p>Upload in NMLS: under <u>Trust Account Authorization</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<p>INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS</p>		
<input type="checkbox"/>	<p>Legal Name/Status Documentation: Upload legal documentation of legal name or legal status. This may be certified copies of divorce decree, marriage certificate, copy of driver’s license, passports, etc.</p> <p>This document should be named <i>[Document Name]</i> (Ex. <i>Driver’s License, Marriage Certificate, etc.</i>).</p>	<p>Upload in NMLS: under the Document Type <u>Legal Name/Status Documentation</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Memorandum of Tax Certification: Provide a certified memorandum indicating all tax obligations to the State have been paid or that a payment plan (if applicable) is in place.</p> <p>This document should be named <i>[State Abbreviation] – Memorandum of Tax Certification</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Memorandum of Tax Certification</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>

<input type="checkbox"/>	<p>Verification of Experience: Provide a license specific resume with detailed job descriptions and/or duties performed evidencing experience in the industry the company is applying for a license. Detailed job descriptions and duties with all employers need to be incorporated into a resume to demonstrate experience related to the specific state license being applied for.</p>	<p>Upload in NMLS: under the Document Type <u>Verification of Experience</u> in the <i>Document Uploads</i> section of the</p>
--------------------------	--	---

	This document should be named <i>[Document Type] – License Name</i> .	Individual Form (MU2).
--	---	------------------------

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

Complete	MD Collection Agency License	Submitted via...
----------	------------------------------	------------------

No items are required to be submitted outside of NMLS for this license/registration at this time.