



MARYLAND COLLECTION AGENCY
LICENSING BOARD
ADVISORY NOTICE 02-09
COLLECTION AGENCY LICENSEES



March 2, 2009

**CHANGE IN CONTROL
REQUIREMENT TO UPDATE APPLICATION INFORMATION**

Licensed Maryland collection agencies have an ongoing obligation to update their application information with the Maryland Collection Agency Licensing Board (the "Board") when there has been a change to the information submitted to the Board.

A change in control of a licensed collection agency is an event that requires a licensee to update its application information with the Board. A change of control occurs when 10% or more of the ownership of an entity holding a license changes hands.

Prior to, but in no event later than, the date when a change in control occurs, a licensed collection agency must submit to the Board, under oath, a completed application-update form which includes, but is not limited to, the following information:

- The name, address and telephone number of the new controlling person of the licensee. If the new controlling person is a legal entity, include a list of the individual owners of that legal entity together with their addresses and telephone numbers.
- A completed character questionnaire for the new controlling person.
- Evidence that the licensee's surety bond has been amended, if necessary, to reflect the change in control. If no amendment to the surety bond is required by the issuer, a letter from the issuer stating that fact.

The required application-update form may be found at www.dllr.state.md.us/finance.

If a licensed collection agency wishes to change entity type (for example, change from a corporation to a limited liability company), a new license will be required for the new entity. The old license should be surrendered. To apply for a new license visit www.dllr.state.md.us/finance.

Penalties for Violations of the Collection Agency Licensing Act

Persons violating the Act may be subject to an Order to Cease and Desist, official reprimand, license suspension or revocation, and/or fines. Md. Code Ann., Business Regulation BR §§ 7-205 and 7-308.

Please contact the Maryland Collection Agency Licensing Board at (410) 230-6079 with questions regarding changes in control and the related obligations to update application information.