

**R162-2e-201. Registration Required - Qualification for Registration.**

- (1) The division may not register or renew the registration of an AMC that fails to:
  - (a) comply with any provision of Utah Code Title 61, Chapter 2e, "Appraisal Management Company Registration and Regulation Act";
  - (b) register with the Utah Division of Corporations and Commercial Code and provide to the division its certificate of existence;
  - (c) pursuant to this Subsection (4)(a), evidence having secured a surety bond that:
    - (i) is in the amount of \$25,000; and
    - (ii) provides, throughout the full period of registration, for the division to make a claim:
      - (A) on behalf of an appraiser; and
      - (B) for unpaid fees as awarded to the appraiser in a final judgment entered by a court of competent jurisdiction; or
  - (d) comply with any provision of these rules.
- (2) The division shall schedule a hearing before the board for an AMC that:
  - (a)
    - (i) applies for registration or renewal of registration;
    - (ii) has a control person who discloses, or the division finds through its own research, an issue that might affect the control person's moral character; and
    - (iii) the division determines that the board should be aware of the issue; or
  - (b) fails to provide an adequate explanation for the AMC's:
    - (i) plan to ensure the use of licensed appraisers in good standing;
    - (ii) plan to ensure the integrity of the appraisal review process; or
    - (iii) plan for record keeping.
- (3)
  - (a) An AMC shall register with the division in the name of the legal entity under which it is registered with the Utah Division of Corporations and Commercial Code and conducts the business of appraisal management in Utah and in other states.
  - (b) An AMC shall notify the division of a dba, trade name, or assumed business name under which the registered legal entity operates in Utah:
    - (i) at the time of registration; or
    - (ii) if applicable, immediately upon beginning to operate under such dba, trade name, or assumed business name.
  - (c) If an AMC changes its registered name, a dba, a trade name, or an assumed business name, the AMC shall notify the division:
    - (i) in writing; and
    - (ii) within ten business days of making the change.
- (4)
  - (a) The deadline by which an AMC shall demonstrate that the entity has obtained a surety bond pursuant to Subsection (1)(c) is as follows:
    - (i) For an AMC that applies for registration on or after October 1, 2012, the bond shall be obtained as a condition for initial registration.
    - (ii) For an AMC that obtained its initial registration prior to January 1 2011 and applies for renewal on or after October 1, 2012, the bond shall be obtained as a condition of the 2012 renewal.
    - (iii) For an AMC that is not described by this Subsection (4)(a)(i) or (ii), the deadline for obtaining the surety bond shall be January 1, 2013.
  - (b) Failure to comply with an applicable deadline as outlined in this Subsection (4)(a) shall result in the automatic suspension of an AMC's registration until such time as

- the AMC provides evidence to the division that it is in compliance with the surety bond requirement.
- (c) If an AMC's surety bond lapses or is cancelled during the period of registration, the division shall:
    - (i) allow the AMC 30 days in which to comply with the surety bond requirement; and
    - (ii) if the AMC fails to obtain or reinstate a surety bond within 30 days, immediately and automatically suspend the AMC's registration until such time as the AMC provides evidence to the division that it is in compliance with the surety bond requirement.

**R162-2e-201a. Claims Against an AMC Bond.**

- (1) To bring a claim against a bond that is held by an AMC pursuant to Section 61-2e-204(2)(c) and Subsection R162-2e-201(1)(c), an appraiser shall:
  - (a) demonstrate that a court of competent jurisdiction has awarded the appraiser a final judgment against the AMC for the fee(s) claimed;
  - (b) demonstrate that the appraiser earned the fee(s) claimed and that the AMC has had a reasonable period of time in which to tender payment; and
  - (c) submit a complaint to the division alleging nonpayment of fee(s):
    - (i) after a reasonable period of time for payment has passed; and
    - (ii) no later than 30 days after obtaining a judgment as required under this Subsection (1)(a).
- (2) In evaluating whether an AMC has had a reasonable period of time in which to tender payment, the division shall consider the following:
  - (a) if a payment deadline is specified in the contract that applies to the assignment for which the appraiser claims an unpaid fee, whether the payment deadline has passed; or
  - (b) if the applicable contract is silent as to a period for payment, whether at least 90 days have passed since the date on which the appraiser submitted a report that complied with the assignment, including all scope of work requirements, as determined by the division in its sole discretion.