



# MI Money Transmitter License New Application Checklist (Company)

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## CHECKLIST SECTIONS

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## GENERAL INFORMATION

*Michigan Department of Insurance and Financial Services participates in the Multistate Money Services Businesses Licensing Agreement Program (MMLA), which creates a more efficient money service business licensing process among state regulators. If your company is seeking money transmitter licensure in more than five (5) states, participation in the MMLA may be right for you. See the [Multistate MSB Licensing Agreement Program](#) page of the NMLS Resource Center for more information.*

### Who Is Required to Have This License?

All entities providing money transmission services must obtain a money transmitter license under the [Money Transmission Services Act \(Act\), 2006 PA 250](#) and comply with the provisions of the Act. “Money transmission services” is defined as the selling or issuing of payment instruments or stored value devices or the receiving of money or monetary value for transmission.

### Who Does Not Need This License?

- A person acting as an authorized delegate on behalf of an entity licensed under the Act.
- A person holding a Class I license under the Consumer Financial Services Act, 1988 PA 161.
- A person conducting foreign currency exchange if the exchange is strictly limited to the exchange of currency.
- A person under Section 4 of the Act (see below)

### **487.1004. Applicability of act (effective March 28, 2019)**

Sec. 4.

This act does not apply to any of the following:

- (a) The United States or a department, agency, or instrumentality of the United States.
- (b) The United States Postal Service or a contractor to the extent that it provides money transmission services on behalf of the United States Postal Service.
- (c) A state, county, city, or any other governmental subdivision of a state.
- (d) A depository financial institution, office of an international banking corporation, or branch of a foreign bank; a bank holding company or subsidiary, as those terms are defined in section 2(a)(1) and 2(d) of the bank holding company act of 1956, 12 USC 1841; a bank service company organized under the bank service company act, 12 USC 1861 to 1867; a subsidiary or affiliate of a depository financial institution, or a subsidiary or affiliate of a holding company of a depository financial institution, if the depository financial institution maintains its main office or a branch office in this state; a credit union service organization, as that term is defined in section 102 of

the credit union act, 2003 PA 215, MCL 490.102; or a corporation organized under the Edge act, 12 USC 611 to 633.

(e) A person, to the extent that it provides money transmission services as an agent for an entity described in subdivision (d), if both of the following are met:

(i) The agency relationship between the person that is providing the money transmission services and the entity described in subdivision (d) is established through written agreement.

(ii) The entity described in subdivision (d) remains responsible for providing the money transmission services to its customers.

(f) A person to the extent that it issues, sells, or distributes a closed-loop prepaid access device or vehicle, if the funds associated with that device or vehicle do not exceed \$2,000.00 maximum value on any day.

(g) A person to the extent that it is acting as an agent of a payee, if the person demonstrates to the director that all of the following are met:

**[NOTE: to meet this exemption, you must provide documentation and receive an exemption determination letter from the Department of Insurance and Financial Services – see [Agent of a Payee Exemption Procedures](#)]**

(i) There exists a written agreement between the payee and agent directing the agent to collect and process payments on the payee's behalf.

(ii) The payee holds the agent out to the public as accepting payments on the payee's behalf.

(iii) Payment is treated as received by the payee at the time it is received by the agent.

(h) An electronic funds transfer of governmental benefits for a federal, state, county, or governmental agency by a contractor on behalf of the United States or a department, agency, or instrumentality of the United States or a state or governmental subdivision, agency, or instrumentality of a state.

(i) A board of trade that is designated as a contract market under the commodity exchange act, 7 USC 1 to 27f, or a person that in the ordinary course of business provides clearance and settlement services for a board of trade, to the extent of its operation as or for that board.

(j) A registered futures commission merchant under the federal commodities laws, to the extent of its operation as a merchant.

(k) A person that provides clearance or settlement services under a registration as a clearing agency or an exemption from registration granted under the federal securities laws, to the extent of its operation as a provider under this subdivision.

(l) An operator of a payment system, to the extent that it provides processing, clearing, settlement, or other similar services between or among persons excluded under this section in connection with wire transfers, credit card transactions, debit card transactions, prepaid access transactions, closed-loop prepaid access transactions, automated clearinghouse transfers, or other similar funds transfers or transactions.

(m) A person that is registered as a securities broker-dealer under federal or state securities laws, to the extent of its operation as a registered broker-dealer.

## License Certificate

Michigan Department of Insurance and Financial Services does issue paper licenses 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, 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 [Consumer Finance Section](#) by phone at [\(877\) 999-6442](tel:8779996442) or send your questions via email to [difs-fin-info@michigan.gov](mailto:difs-fin-info@michigan.gov) for additional assistance.

For U.S. Postal Service:

*Department of Insurance and Financial Services  
Consumer Finance Section  
P.O. Box 30220  
Lansing, MI 48909-7720*

For Overnight Delivery:

*Department of Insurance and Financial Services  
Consumer Finance Section  
530 W. Allegan St., 7th Floor  
Lansing, MI 48933*

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	MI Money Transmitter License	Submitted via...
<input type="checkbox"/>	<p><b>MI License/Registration Fee:</b> \$3,050</p> <p><b>MI Application Fee:</b> \$600</p> <p><b>NMLS Initial Processing Fee:</b> \$0</p>	<p><b>NMLS (Filing submission)</b></p>
<input type="checkbox"/>	<p><b>License Fee Per Additional Location:</b> \$50</p> <p>This fee will be calculated by Department of Insurance and Financial Services staff and invoiced separately through an NMLS Agency Invoice</p>	<p><b>NMLS (Agency Fee Invoice)</b></p>
<input type="checkbox"/>	<p><b>Uniform Authorized Agent Reporting Annual Processing Fee:</b> An annual fee of twenty-five cents (\$0.25) for each active authorized agent/delegate location reported through NMLS is invoiced on November 1st.</p> <p>There is no fee for the first 100 active agents reported (Companies with 100 agents or less are not subject to the UAAR Processing Fee).</p> <p>The fee is capped at \$25,000 per licensee in any one year.</p> <p>The invoiced amount is based on the number of active agents in the system as of August 16th, (day after third quarter reporting deadline).</p> <p>See the <a href="#">Uniform Authorized Agent Reporting Processing Fee Fact Sheet</a> for more information.</p>	<p><b>NMLS (Agency Fee Invoice)</b></p>

REQUIREMENTS COMPLETED IN NMLS		
Complete	MI Money Transmitter License	Submitted via...
<input type="checkbox"/>	<b>Submission of Company Form (MU1):</b> Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license through NMLS.	<b>NMLS</b>
<input type="checkbox"/>	<b>Electronic Surety Bond:</b> Electronic Surety Bond via NMLS in the amount of \$500,000 for first location, plus \$10,000 for each additional location and authorized delegate up to a maximum amount of \$1,500,000, furnished and submitted by a surety company authorized to conduct business in Michigan. See the <a href="#">ESB Adoption Table</a> and the <a href="#">ESB for NMLS Licensees page</a> of the NMLS Resource Center for more information.	<b>Electronic Surety Bond in NMLS</b>
<input type="checkbox"/>	<b>Financial Statements:</b> Upload financial statements for each of the previous two years, if available. Financial Statements shall be audited (prepared by a Certified Public Accountant) or unaudited (signed by an executive officer) prepared in accordance with Generally Accepted Accounting Principles. You may use financial statement form <a href="#">FIS 2053</a> . Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant notes thereto.  If any of the assets in the financial statement are pledged to secure payment of liabilities, attach a report stating kind and total of assets pledged, amount of indebtedness secured, and name of the pledge(s).  The financial statement must illustrate a company net worth of \$100,000 plus \$25,000 for each additional location or authorized delegate, up to a maximum required net worth of \$1,000,000.	<b>NMLS</b>  <b>Note:</b> Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the <a href="#">Financial Statements Quick Guide</a> for instructions
<input type="checkbox"/>	<b>Authorized Agents (Delegates) Locations:</b> Licensees must use the <a href="#">NMLS Uniform Authorized Agent Reporting (UAAR) functionality</a> to report Authorized Agents. Upon license approval, applicants are required to utilize the UAAR to upload a list of agents who are authorized to conduct money transmission business in the state of <i>Michigan</i> on the Applicant's behalf. Agent adjustments (additions, deletions, and modifications) must be submitted through the UAAR on a <i>quarterly</i> basis, even if there are no changes to report. For more information, consult the <a href="#">NMLS Resource Center</a> .	<b>NMLS</b>
Note	<b>Company Owned Locations/Branches:</b> If your company has company owned locations/branches that are authorized to conduct money services businesses in the state of <i>Michigan</i> , please include these as part of your UAAR.	<b>NMLS</b>
<input type="checkbox"/>	<b>Other Trade Name:</b> 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). Michigan does not limit the number of other trade names.  All assumed names must first be registered with the Michigan Corporation	<b>NMLS</b> <b>Upload in NMLS:</b> under the Document Type <a href="#">Trade Name/Assumed Name Registration</a>

	Division (ph. 517-241-6470; website <a href="http://www.michigan.gov/corporations">www.michigan.gov/corporations</a> ). If operating under an “Other Trade Name”, upload a separate State issued and approved document for each assumed name regarding the ability to do business under that trade name.	Certificates in the <i>Document Uploads</i> section of the Company Form (MU1).  This document should be named <i>[State-License Type] Trade Name – Assumed Name</i> .
<input type="checkbox"/>	<b>Resident/Registered Agent:</b> The Resident/Registered 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 Michigan Corporation Division.  <b>Note:</b> If you are not required to register with the Michigan Corporation Division, you must list a Michigan resident or Michigan business entity as the Resident/Registered Agent.	<b>NMLS</b>
<input type="checkbox"/>	<b>Primary Contact Employees:</b> The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).  1. <b>Primary Company Contact.</b> 2. <b>Primary Consumer Complaint Contact.</b>	<b>NMLS</b>
Note	<b>Bank Account:</b> Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.	<b>N/A</b>
<input type="checkbox"/>	<b>Disclosure Questions:</b> 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).  See the <a href="#">Company Disclosure Explanations Quick Guide</a> for instructions.	<b>NMLS</b>  <b>Upload in NMLS</b> in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).
<input type="checkbox"/>	<b>Qualifying Individual:</b> Qualifying Individual is an individual responsible for the Michigan operations of the applicant. This individual must be listed in the <i>Qualifying Individual</i> section of Company Form (MU1).	<b>NMLS</b>
<input type="checkbox"/>	<b>Control Person (MU2) Attestation:</b> 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).	<b>NMLS</b>
Note	<b>Credit Report:</b> Individuals in a position of control are NOT required to authorize a credit report through NMLS.	<b>N/A</b>
Note	<b>MU2 Individual FBI Criminal Background Check Not Required Through NMLS:</b> Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize an FBI criminal background check (CBC) through NMLS.	<b>N/A</b>

**REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS**

Complete	MI Money Transmitter License	Submitted via...
<input type="checkbox"/>	<p><b>AML/BSA Policy:</b> Upload an Anti-Money Laundering (AML) / Bank Secrecy Act (BSA) Policy, the name of compliance officer, education and/or training program, plan for independent review.</p> <p>Provide a copy of the most recent independent review, if applicable.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>AML/BSA Policy</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>Internally Approved Date mm-dd-yyyy</i>.</p>
<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>• Fee schedule</li> <li>• Operating structure the applicant intends to employ.</li> <li>• The scope of business</li> <li>• Financial arrangements</li> <li>• Relationship and agreements</li> <li>• Sources of funding and credit</li> <li>• Use of authorized delegates and employees</li> <li>• Other information relevant to the money transmission business</li> </ul> <p>Include whether the applicant, its parent, or affiliates ever conducted business with Michigan consumers as a money transmitter.</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>	<p><b>Upload in NMLS:</b> under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p>
<input type="checkbox"/>	<p><b>Certificate of Authority/Good Standing Certificate:</b> All entities, except individuals, must first be registered with the Michigan Corporation Division (ph. 517-241-6470; website <a href="http://www.michigan.gov/corporations">www.michigan.gov/corporations</a>). Upload a State-issued and approved document from the Michigan Corporation Division, dated not more than 60 days prior to the filing of the application through NMLS, that demonstrates authorization to do business in Michigan.</p>	<p><b>Upload in NMLS:</b> 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> <p>This document should be named <i>[[State prefix] Certificate of Authority</i></p>

		OR [State prefix] Certificate of Good Standing].
<input type="checkbox"/>	<p><b>Flow of Funds Structure:</b> Upload a description of each type of transaction or service to be conducted. For each type, describe each step starting with the first encounter with the consumer and ending at the completion of the transaction when money is received by the beneficiary.</p>	<p><b>Upload in NMLS:</b> under <u>Flow of Funds Structure</u> in the <i>Document Uploads</i> section of the Company Form (MU1). This document should be named <i>Flow of Funds Structure</i>.</p> <p><b>Note:</b> If submitting multiple types of transactions or services to be conducted, combine in single document for upload.</p>
<input type="checkbox"/>	<p><b>Formation Documents:</b> Determine classification of applicant’s legal status and upload 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>The Michigan authority to conduct business, articles of incorporation, articles of organization, or articles of partnership must be amended and confirmed by uploading evidence of the change. Contact the Michigan Corporation Division (ph. 517- 241-6470; website <a href="http://www.michigan.gov/corporations">www.michigan.gov/corporations</a>) or applicable county clerk’s office.</p> <p><b>Sole Proprietor</b></p> <ul style="list-style-type: none"> <li>• County assumed name filing.</li> </ul> <p><b>Unincorporated Association:</b></p> <ul style="list-style-type: none"> <li>• By-Laws or constitution (including all amendments).</li> </ul> <p><b>General Partnership:</b></p> <ul style="list-style-type: none"> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Liability Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Limited Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Liability Limited Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Company (“LLC”):</b></p> <ul style="list-style-type: none"> <li>• Articles of Organization (including all amendments);</li> <li>• Operating Agreement (including all amendments);</li> <li>• IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and</li> <li>• LLC resolution if authority not in operating agreement.</li> </ul> <p><b>Corporation:</b></p> <ul style="list-style-type: none"> <li>• Articles of Incorporation (including all amendments);</li> <li>• By-laws (including all amendments), if applicable;</li> <li>• Shareholder Agreement (including all amendments), if applicable;</li> </ul>	<p><b>Upload in NMLS:</b> under <u>Formation Document”</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>



	<ul style="list-style-type: none"> <li>• IRS Form 2553 if S-corp treatment elected; and</li> <li>• Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable.</li> </ul> <p><b>Not for Profit Corporation</b></p> <ul style="list-style-type: none"> <li>• Documents requested of a Corporation; and</li> <li>• Proof of nonprofit status <ul style="list-style-type: none"> <li>○ Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or</li> <li>○ statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or</li> <li>○ entity’s certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or</li> <li>○ Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the applicant is a local nonprofit affiliate.</li> </ul> </li> </ul> <p><b>Trust (Statutory)</b></p> <ul style="list-style-type: none"> <li>• Certificate of Trust; and</li> <li>• Governing instrument (all amendments).</li> </ul>	
<input type="checkbox"/>	<p><b>Management Chart:</b> Upload a chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.</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>	<p><b>Upload in NMLS:</b> under <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p>
<input type="checkbox"/>	<p><b>Organizational Chart/Description:</b> Upload 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><b>Note:</b> 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><b>Upload in NMLS:</b> under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p>
<input type="checkbox"/>	<p><b>Permissible Investments:</b> If you have activity in other states, upload a permissible investment calculation as of the applicant’s most recent fiscal year end. List the total outstanding obligations as of this date and provide specific assets being used to meet Michigan’s permissible investment requirement. Permissible assets must be sufficient to cover outstanding payment instruments (Sections 31 and 32 of 2006 PA 250).</p>	<p><b>Upload in NMLS:</b> under <u>Permissible Investments</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>[Company Legal Name] Permissible Investments</i></p>

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<b>INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS</b>		
<input type="checkbox"/>	<p><b>Credit Report Explanations:</b> Upload a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc.</p> <p><b>Note:</b> Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>

NMLS ID Number	
Applicant Legal Name	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	MI Money Transmitter License	Submitted via...
<input type="checkbox"/>	<b>Branch Locations:</b> If applicant intends on conducting business at more than one location, provide a list of those branch locations.	<b>Mail to Michigan Department of Insurance and Financial Services</b>
<input type="checkbox"/>	<b>Direct Ownership Verification:</b> Provide copies of stock certificates, operating agreement, or other legal documentation to support 100% direct ownership. Also, if the direct ownership or indirect ownership (two tiers of indirect) does not reflect 100% ownership on the MU1 filing, provide a complete detailed spreadsheet listing owners' names and percentages.	<b>Mail to Michigan Department of Insurance and Financial Services</b>
<input type="checkbox"/>	<b>FinCEN Form 107:</b> Provide confirmation of filing and acceptance of FinCEN Form 107. Further information is available at <a href="https://www.fincen.gov/">https://www.fincen.gov/</a> .	<b>Mail to Michigan Department of Insurance and Financial Services</b>
<input type="checkbox"/>	<b>Internet Business:</b> If applicant will conduct business on the Internet, provide precautions applicant will take to protect the privacy and security of client data.	<b>Mail to Michigan Department of Insurance and Financial Services</b>
<input type="checkbox"/>	<b>Other Licenses Held by Company/Individual:</b> Provide a list of present/past professional licenses issued by Michigan or other states (i.e. real estate, securities, insurance, CPA, attorney).	<b>Mail to Michigan Department of Insurance and Financial Services</b>