



MT Deferred Deposit Lender License New Application Checklist (Entity)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who Is Required to Have This License?

Any company, sole proprietorship, firm, or other legal entity that engages in the business of making deferred deposit loans.

A deferred deposit loan means an arrangement, including all representations made by the deferred deposit lender whether express or implied, in which:

- a) a person accepts a check dated on the date on which the check is written and agrees to hold the check for a period of days prior to deposit or presentment;
- b) a person accepts a check dated subsequent to the date on which the check is written and agrees to hold the check for deposit or presentment until the date written on the check; or
- c) a person accepts written authorization from a consumer to electronically deduct from the consumer's account on a specific date the amount of the loan and fees that are authorized under Montana Code Annotated Title 31, Chapter 1, Part 7.

Montana's Deferred Deposit Loan Act applies to deferred deposit lenders and to persons who facilitate, enable, or act as a conduit for persons making deferred deposit loans.

A license is required for a person located in Montana, or outside the state of Montana who uses the internet, facsimile, or third persons to conduct transactions with consumers in Montana.

The following entities do not need this license...

- Retail sellers who cash checks incidental to or independent of a sale and who do not charge more than \$2 a check for the service.

Activities Authorized Under This License

This license authorizes the following activities...

- Payday lending – storefront
- Payday lending – online

Pre-Requisites for License Applications

- Net Worth - \$25,000 for each location operated by the applicant.
- Bond Amount - \$10,000 for each location at or from which deferred deposit loan transactions are conducted with consumers of Montana.
- Criminal background check – for each employee of the applicant.

- Credit check – for each employee of the applicant.

Montana does not 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 Description 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. If a 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., Certificates of Good Standing), be sure to indicate the applicable state.

Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Description and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)
- [Montana Licensing Frequently Asked Questions](#)

Agency Contact Information

Contact the Montana Division of Banking and Financial Institutions licensing staff by phone at (406) 841-2920 or send your questions via e-mail to mortgagelicensing@mt.gov for additional assistance.

Mont. Code Ann. § 2-15-115 requires state agencies to place on an application form the estimated time it will take for an agency to process and act on a correctly completed application form. The agency average for all company applications is 40 days to act on a correctly completed application form.

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	MT Deferred Deposit Lender License	Submitted via...
<input type="checkbox"/>	MT License/Registration Fee: \$500	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for Employees: \$15 per control person	NMLS (Filing submission)
<input type="checkbox"/>	FBI Criminal Background Check for Employees: \$36.25 per person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS		
Complete	MT Deferred Deposit Lender 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). The Montana Secretary of State does not limit the number of other trade names. If operating under an "Other Trade Name", upload a file-stamped copy of the Certificate of Registration of Assumed Business Name from the Montana Secretary of State for each DBA regarding ability to do business under that trade name.</p> <p>Upload this document in NMLS under the Document Type "Trade Name/Assumed Name Registration Certificates" in the <i>Document Uploads</i> section of the Company Form (MU1).</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type "Trade Name/Assumed Name Registration Certificates" in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
Complete	MT Deferred Deposit Lender License	Submitted via...
<input type="checkbox"/>	Resident/Registered Agent: 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 Montana Secretary of State.	NMLS
<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. 3. Primary Examination Contact 	NMLS
Note	Non-Primary Contact Employees: Montana does not require any non-primary contacts to be listed in the <i>Contact Employees</i> section of the Company Form (MU1).	N/A
<input type="checkbox"/>	Bank Account: Bank account information must be completed with company's Trust accounts.	NMLS
<input type="checkbox"/>	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).	Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or

	See the Company Disclosure Explanations Quick Guide for instructions.	Individual Form (MU2).
<input type="checkbox"/>	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).	NMLS
<input type="checkbox"/>	Electronic Surety Bond: Electronic Surety Bond via NMLS in the amount of \$10,000 for each location at or from which deferred deposit loan transactions are conducted with consumers in Montana. The ESB must be furnished and submitted by a surety company authorized to conduct business in Montana. See the ESB Adoption Table and the ESB for NMLS Licensees page of the NMLS Recourse Center for more information. The bond must continue in effect for 2 years after the licensee ceases operation in the state. The bond must be available to pay damages authorized under this part to consumers harmed by any violation of this part and to pay civil penalties, restitution, and costs ordered by the department pursuant to 31-1-712 for any violation of the Montana Deferred Deposit Loan Act	Electronic Surety Bond in NMLS
<input type="checkbox"/>	Financial Statements: Provide an unaudited (compiled) financial statement dated within 90 days of your fiscal year end signed by an executive officer in accordance with generally accepted accounting principles. Financial statements should include a Balance Sheet, Income Statement, and Statement of Cash Flows and all relevant notes thereto. If applicant is a start-up company, only an initial Statement of Condition is required. The financial statement must reflect that the applicant is in compliance with Montana Code Annotated 31-1-707 .	NMLS

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	MT Deferred Deposit Lender License	Submitted via...
<input type="checkbox"/>	<p>Business Plan: Upload a business plan outlining the following information:</p> <ul style="list-style-type: none"> • Marketing strategies • Products • Target markets • Fee schedule • Operating structure the applicant intends to employ. <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</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</p>	<p>Upload in NMLS: under the Document Type “Business Plan” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

	plan.	
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate: Upload a Montana Secretary of State-issued and approved document dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in Montana.</p> <p>This document should be named <i>Montana Certificate of Authorization or Montana Certificate of Existence</i>.</p> <p>Upload a Secretary of State-issued and approved document from the applicant’s legal state of formation that demonstrates authorization to do business in that state.</p>	<p>Upload in NMLS: under the Document Type “Certificate of Authority/Good Standing Certificate” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<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. Submit the original formation documents and all subsequent amendments thereto, including a list of any name changes.</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p> <p>Sole Proprietor</p> <ul style="list-style-type: none"> • Registration of Assumed Business Name, if applicable. <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 • 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 • 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 	<p>Upload in NMLS: under “Formation Document” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

	<ul style="list-style-type: none"> Governing instrument (all amendments). 	
<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 “Management Chart” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<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>Upload in NMLS: under “Organizational Chart/Description” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Trust Account Authorization: Upload authorization to allow examination of escrow accounts used for the purpose of holding funds belonging to others, if any. If the applicant does not hold borrower’s funds in escrow, please upload a letter of explanation.</p> <p>Click to download authorization to allow examination form.</p>	<p>Upload in NMLS: Under “Trust Account Authorization” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Document Samples: Upload copies of fee schedules, consumer disclosure forms, origination, and/or loan modification forms. Upload disclosures. The disclosures must comply with MCA 31-1-721. Upload a schedule of charges. The schedule of charges must comply with ARM 2.59.1508.</p>	<p>Upload in NMLS: under “Document Samples” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>