Who is required to have this license?

Any company (a sole proprietorship, partnership, corporation, association, or any other group) that engages, in whole or in part, in the business of purchasing retail installment contracts from one or more sellers. The term includes but is not limited to a bank, trust company, investment company, credit union, or savings and loan association, if engaged in purchasing retail installment contracts.

A retail installment contract means an agreement evidencing a retail installment transaction entered into in Montana under which a buyer promises to pay in one or more deferred installments the time sale price of goods or services, or both. The term includes a chattel mortgage, a conditional sales contract, and a contract for the bailment or leasing of goods by which the bailee or lessee contracts to pay as compensation for its use a sum substantially equivalent to or in excess of its value and by which it is agreed that the bailee or lessee is bound to become, or for no further or a merely nominal consideration has the option of becoming, the owner of the goods upon full compliance with the provisions of the contract.

A retail installment transaction means a written contract to sell or furnish, or the sale or furnishing of, goods or services by a retail seller to a retail buyer pursuant to a retail charge account agreement or under a retail installment contract.

A retail charge account agreement means an instrument in writing prescribing the terms of retail installment transactions that may be made under it from time to time under which a retail seller gives to a retail buyer the privilege of using a credit card issued by the retail seller or any other person or other credit confirmation or identification for the purpose of purchasing goods or services from the retail seller, from the retail seller and any other person, or from a person licensed or franchised by the retail seller and under the terms of which a finance charge may be computed in relation to the buyer's average daily balance in the account during the billing cycle or the buyer's balance from time to time.

A retail buyer or buyer means a person who buys goods or obtains services from a retail seller in a retail installment transaction and not for the purpose of resale.

A retail seller or seller means a person who sells goods or furnishes services to a retail buyer in a written retail installment contract or written retail installment transaction.

Who does not need this license?

- The Montana Retail Installment Sales Act does not apply to the lending of money by banks or other lending institutions and securing loans by chattel mortgages of goods in the ordinary course of lending by those banks or other lending institutions.
- The Montana Retail Installment Sales does not apply to a transaction governed by Title 32, chapter 9, part 1.
**WHO TO CONTACT** – 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.

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The applicant/licensee is fully responsible for all of the requirements of the license for which they are applying. The jurisdiction specific requirements contained herein are for guidance only to facilitate application through the NMLS. Should you have questions, please consult legal counsel.