



MT Independent Contractor Entity Branch License New Application Checklist (Branch)

CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)

GENERAL INFORMATION

Who Is Required to Have This License?

Any entity (a business organization, including a sole proprietorship) that acts as an independent contractor offering or engaging in clerical or support duties with respect to any dwelling or residential real estate in Montana must license every branch where clerical or support duties are conducted. An independent contractor shall designate a responsible individual for each main office and for every branch at which clerical or support duties are conducted. Mont. Code Ann. § [32-9-135](#).

An independent contractor is an entity that offers or provides clerical or support duties for another person. Mont. Code Ann. §[32-9-103\(24\)](#). Clerical or support duties are defined as:

- 1) The receipt, collection, distribution, and analysis of information common for the processing or underwriting of a residential mortgage loan; and
- 2) Communicating with a consumer to obtain the information necessary for the processing or underwriting of a residential mortgage loan, to the extent that the communication does not include offering or negotiating loan rates or terms or counseling consumers about residential mortgage loan rates or terms. Mont. Code Ann. § [32-9-103\(10\)](#).

The term does not include:

- 1) Taking a residential mortgage loan application; or
- 2) Offering or negotiating the terms of a residential mortgage loan.

Dwelling means a residential structure or mobile home which contains one to four family housing units, or individual units of condominiums or cooperatives. Mont. Code Ann. § [32-9-103\(16\)](#).

Residential real estate means any real property located in the state of Montana upon which is constructed a dwelling or upon which a dwelling is intended to be built within a 2-year period, subject to 24 CFR 3500.5(b)(4). The borrower's intent to construct a dwelling is presumed unless the borrower has submitted a written, signed statement to the contrary. Mont. Code Ann. § [32-9-103\(41\)](#).

A responsible individual is defined as a mortgage loan originator with at least 1½ years of experience as a mortgage loan originator or registered mortgage loan originator who is designated by an entity as the individual

responsible for the operation of a particular location that is under the responsible individual's full management, supervision, and control. Mont. Code Ann. § [32-9-103\(41\)](#).

What Is a Branch Location?

A branch is a location at which a licensee conducts business other than a licensee's principal place of business. The location is considered a branch office if:

- a) the address of the location appears on business cards, stationery, or advertising used by the entity;
- b) the entity's name or advertising suggests that mortgages are made at the location;
- c) the location is held out to the public as a licensee's place of business due to the actions of an employee or independent contractor of the entity; or
- d) the location is controlled directly or indirectly by the entity. Mont. Code Ann. § [32-9-103\(9\)](#).

Remote Work

A mortgage loan originator working from a remote location is **not** a branch office if the following requirements are fully met:

- a) the licensed mortgage entity's employees and independent contractors do not meet with the public at an unlicensed personal residence;
- b) no physical or electronic business records are maintained at the remote location;
- c) the licensed mortgage entity has written policies and procedures for working remotely and the entity supervises and enforces the policies and procedures;
- d) no signage or advertising of the entity or the mortgage loan originator is displayed at any remote work location;
- e) the licensed mortgage entity maintains the computer system and customer information in accordance with the entity's information technology security plan and all state and federal laws;
- f) any device used to engage in mortgage business has appropriate security, encryption, and device management controls to ensure the security and confidentiality of customer information as required by rules and regulations adopted by the department;
- g) the licensed mortgage entity's employees and independent contractors take reasonable precautions to protect confidential information in accordance with state and federal laws;
- h) the NMLS record of a mortgage loan originator that works remotely designates a properly licensed location as the mortgage loan originator's official workstation and a designated manager as a supervisor; and
- i) the licensed mortgage entity annually reviews and certifies that the employees and independent contractors engaged in mortgage business at a remote location meet the requirements of this section. Upon request, a licensee shall provide written documentation of the licensee's review to the department.

Activities Authorized Under This License

This license authorizes the following activities at a branch...

- Third Party Mortgage Loan Processing
- Third Party Mortgage Loan underwriting

Pre-Requisites for License Applications

- The main company location must hold a Montana Independent Contractor Entity License.
- All locations must be within the United States or a territory, including Puerto Rico and the U.S. Virgin Islands.

Montana does not issue paper licenses for this license type.

Helpful Resources

- [Branch Form \(MU3\) Filing Quick Guide](#)
- [Document Upload Description and Examples](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

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 branch applications is 22 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 Independent Contractor Entity Branch License	Submitted via...
<input type="checkbox"/>	MT License/Registration Fee: \$250 NMLS Initial Processing Fee: \$20	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	MT Independent Contractor Entity Branch License	Submitted via...
<input type="checkbox"/>	Submission of Branch Form (MU3): Complete and submit the Branch Form (MU3) in NMLS. This form serves as the application for the license through NMLS.	NMLS
<input type="checkbox"/>	Business Activities: Indicate all business activities the branch engages in for the State of Montana. Only the activities listed under the “Activities Authorized Under This License” section above may be selected for this license.	NMLS
<input type="checkbox"/>	Other Trade Names: Any other trade names used by this branch must be identified on both the Branch Form (MU3) and the Company Form (MU1). 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 Other Trade Name must be	Upload in NMLS: under the Document Type “Trade Name/Assumed

	registered with the Montana Secretary of State. Proof of registration must be uploaded to the <i>Document Upload</i> section of the Company Form (MU1). Montana does not limit the number of other trade names.	Name Registration Certificates” in the <i>Document Uploads</i> section of the Company Form (MU1).
<input type="checkbox"/>	<p>Branch Manager: A branch manager, called a Responsible Individual for this license type, must be listed on the Branch Form (MU3). The Responsible Individual is designated by the entity as the individual responsible for the operation of the branch. The Qualifying Individual may act as the branch manager, or the entity may appoint another individual to supervise the branch.</p> <p>The Responsible Individual must be licensed in an “Approved” status as a Montana mortgage loan originator and have 1 ½ years of experience as a loan originator from any state or from federal registration.</p>	NMLS
<input type="checkbox"/>	<p>Branch Manager (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable branch manager before it is able to be submitted along with the Branch Form (MU3).</p>	NMLS

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	MT Independent Contractor Entity Branch License	Submitted via...
<input type="checkbox"/>	<p>Branch Manager Proof of Experience: Individuals who are acting as a Responsible Individual must submit W-2's or 1099's to prove 1½ years of experience. W-2's/1099's are not necessary if the individual has been licensed through NMLS for the required amount of time. See ARM 2.59.1701(12) and ARM 2.59.1702.</p>	<p>Email to: mortgagelicensing@mt.gov</p>
<input type="checkbox"/>	<p>Request Processing of Application This Calendar Year: If this application is submitted between November 1 and December 31, it will be considered an application for licensure during the next calendar year unless the applicant submits the form below to request that the application be processed for the current calendar year. The applicant must also pay the renewal fee by Dec. 31st which will be invoiced through NMLS.</p> <p>Mortgage Company/Branch Renewal Form – On the first part of the form, please check “Mortgage Broker Branch” as the license type.</p> <p>PLEASE NOTE: the application must be complete to be processed, and processing of renewal applications will be given priority over processing new applications. ANY NEW LICENSE GRANTED IN THE CURRENT CALENDAR YEAR EXPIRES ON DECEMBER 31.</p>	<p>Email to: mortgagelicensing@mt.gov</p>