



MT Independent Contractor Entity License New Application Checklist (Entity)

CHECKLIST SECTIONS

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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. 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.
- 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\(41\)](#).

This Independent Contractor Entity License is a subset of the Montana Mortgage Broker License. All activities covered by the Independent Contractor Entity License are also covered by the Montana Mortgage Broker

License, but not vice versa. All requirements for the Montana Mortgage Broker License in the Montana Mortgage Act also apply to the Independent Contractor Entity License.

The following entities do not need this license:

- An entity that is an agency of federal, state, tribal, or local government.
- A depository institution.
- A subsidiary of a depository institution that is wholly-owned and controlled by a depository institution **and** regulated by a federal banking agency.
- An entity that is a bona fide not-for-profit entity.
- A person regulated by the commissioner of insurance if that person's principal business is that of preparing abstracts or making searches of titles that are used as a basis for the issuance of any title insurance policy by a company doing business under the laws of this state relating to insurance companies.
- An entity that holds an active Montana Mortgage Broker License.

In order for an entity to be licensed in Montana, each control person must independently meet the following requirements of Mont. Code Ann. § [32-9-120](#):

- 1) the control person has never had a mortgage broker, mortgage lender, mortgage servicer, or mortgage loan originator license or an equivalent license revoked in any governmental jurisdiction;
- 2) the control person has not been convicted of or pled guilty or nolo contendere to a felony in a domestic, foreign, or military court during the 7-year period preceding the date of the application for licensing or renewal or at any time preceding the date of application if the felony involved an act of fraud, dishonesty, a breach of trust, or money laundering;
- 3) the control person has demonstrated financial responsibility, character, and general fitness to command the confidence of the community and to warrant a determination that the mortgage broker, mortgage lender, mortgage servicer, or mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of this section; and
- 4) the control person has not made a material misstatement of fact or material omission of fact in the application.

Control is defined in the [NMLS Policy Guidebook for Licensees](#).

Activities Authorized Under This License

This license authorizes the following activities...

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

Pre-Requisites for License Applications

- The company must be located in 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.

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 Independent Contractor Entity License	Submitted via...
<input type="checkbox"/>	MT License/Registration Fee: \$500 NMLS Initial Processing Fee: \$100	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for Control Persons: \$15 per control person	NMLS (Filing submission)
<input type="checkbox"/>	FBI Criminal Background Check for MU2 Individual: \$36.25 per person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS		
Complete	MT Independent Contractor Entity 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>This document should be named "<i>MT Independent Contractor Entity Trade Name / Assumed Name</i>".</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>
<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
Note	Bank Account: Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.	N/A
<input type="checkbox"/>	<p>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).</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p>	Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).

Complete	MT Independent Contractor Entity License	Submitted via...
<input type="checkbox"/>	<p>Qualifying Individual: This individual, referred to as the Responsible Individual, must be listed as the “Qualifying Individual” on NMLS Company Form (MU1) and his/her business address must match the address listed as the “Main Address” on the Company Form (MU1). The Responsible Individual supervises the operation of all physical and remote locations of the entity.</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>Sponsorship: The company must request Montana sponsorship for the individual designated as the Qualifying Individual/Responsible Individual.</p> <p>If an applicant has met all the requirements for licensure except that it does not employ and sponsor a Qualifying Individual/Responsible Individual, the license will be placed in an "Approved-Inactive" status until sponsorship occurs.</p> <p>Note: An entity is NOT authorized to conduct business in an "Approved-Inactive" status.</p>	NMLS
<input type="checkbox"/>	<p>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).</p>	NMLS
<input type="checkbox"/>	<p>MU2 Individual Credit Report: Individuals in a position of control are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).</p>	NMLS
<input type="checkbox"/>	<p>MU2 Individual FBI Criminal Background Check Requirements: The following Individuals, as specified below, on the Company Form (MU1) are required to authorize a FBI criminal background check (CBC) through NMLS.</p> <p><i>Direct Owners</i></p> <p>A person is presumed to control an entity if that person:</p> <ol style="list-style-type: none"> 1) directly has the right to vote 10% or more of a class of a voting security or has the power to sell or direct the sale of 10% or more of a class of voting securities; 2) in the case of a limited liability company, is a managing member; or 3) in the case of a partnership, has the right to receive upon dissolution or has contributed 10% or more of the capital. <p><i>Executive Officers</i></p> <ul style="list-style-type: none"> • A person is presumed to control an entity if that person is a director, general partner, or executive officer or is an individual that occupies a similar position or performs a similar function. <p><i>Indirect Owners</i></p> <ul style="list-style-type: none"> • A person is presumed to control an entity if that person indirectly has 	NMLS

	<p>the right to vote 10% or more of a class of a voting security or has the power to sell or direct the sale of 10% or more of a class of voting securities.</p> <p>After authorizing a FBI criminal background check through the submission of the Company Form (MU1) and Individual Form (MU2), you must schedule an appointment to be fingerprinted if new prints are required. Please check the appropriate box to grant Montana access to view the criminal background check results.</p> <p>See the Quick Guides - Company section of the NMLS Resource Center for more information.</p> <p>Note: If you are able to 'Use Existing Prints' to process the FBI criminal background check, you DO NOT have to schedule an appointment. NMLS will automatically submit the fingerprints on file.</p>											
<input type="checkbox"/>	<p>Electronic Surety Bond: Electronic Surety Bond via NMLS in the amount described below furnished and submitted by a surety company authorized to conduct business in Montana.</p> <p>See the ESB Adoption Table and the ESB for NMLS Licensees page of the NMLS Recourse Center for more information.</p> <p>Note: Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p> <p>Surety Bond Requirements Table</p> <table border="1" data-bbox="253 1020 1198 1276"> <thead> <tr> <th><i>Annual Loan Production</i></th> <th><i>Bond Amount</i></th> </tr> </thead> <tbody> <tr> <td>No prior business history in Montana or a business history of less than one year in Montana</td> <td>\$25,000</td> </tr> <tr> <td>Less than \$50 million</td> <td>\$25,000</td> </tr> <tr> <td>Less than \$100 million</td> <td>\$50,000</td> </tr> <tr> <td>More than \$100 million</td> <td>\$100,000</td> </tr> </tbody> </table>	<i>Annual Loan Production</i>	<i>Bond Amount</i>	No prior business history in Montana or a business history of less than one year in Montana	\$25,000	Less than \$50 million	\$25,000	Less than \$100 million	\$50,000	More than \$100 million	\$100,000	<p>Electronic Surety Bond in NMLS</p>
<i>Annual Loan Production</i>	<i>Bond Amount</i>											
No prior business history in Montana or a business history of less than one year in Montana	\$25,000											
Less than \$50 million	\$25,000											
Less than \$100 million	\$50,000											
More than \$100 million	\$100,000											

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	MT Independent Contractor Entity 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</p>	<p>Upload in NMLS: under the Document Type "Business Plan" in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

	<p>required, this information should be added to the existing uploaded business plan.</p>	
<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>

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	MT Independent Contractor Entity License	Submitted via...
<input type="checkbox"/>	<p>Qualifying Individual 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>	E-Mail to MT
<input type="checkbox"/>	<p>Request Processing of Application This Calendar Year: If this application is submitted between <u>November 1</u> and <u>December 31</u>, 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” as the license type.</p> <p>PLEASE NOTE: the application must be complete in order to be processed, and processing of renewal applications will be given priority over processing new applications.</p> <p>ANY NEW LICENSE GRANTED IN THE CURRENT CALENDAR YEAR EXPIRES ON DECEMBER 31.</p>	E-Mail to MT