



# Montana Mortgage Loan Originator New Application Checklist (Individual)

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## GENERAL INFORMATION

### Who Is Required to Have This License?

- An individual who, for compensation or gain or in the expectation of compensation or gain:
  - (i) takes a residential mortgage loan application; or
  - (ii) offers or negotiates terms of a residential mortgage loan.The term includes an individual who represents to the public that the individual can or will perform the services described in the subsection (i) and (ii) above.
- A loan processor or underwriter who is an independent contractor and acts as a mortgage loan originator as defined in Mont. Code Ann. § [32-9-103\(23\)](#).
- An individual who is designated by an independent contractor entity as the individual responsible for the operation of a particular location that is under the responsible individual's full management, supervision, and control.

### Who Does Not Need This License?

An employee of a federal, state, tribal, or local government or housing finance agency acting within the course and scope of his or her duties.

A registered mortgage loan originator working for a depository institution or a subsidiary that is wholly-owned and controlled by the depository institution and regulated by a federal banking agency.

An employee of a bona fide not for profit entity acting within the course and scope of his or her employment.

A person that performs only real estate brokerage activities and is licensed or registered pursuant to Mont. Code Ann. § [37-51-301](#), unless the person is compensated by a mortgage lender, mortgage broker, or mortgage loan originator or an agent of the mortgage lender, mortgage broker, or mortgage loan originator.

A licensed Montana attorney who performs activities within the definition of a mortgage loan originator if the activities are considered by the Montana Supreme Court to be part of authorized practice in this state and the activities are carried out in full compliance with all applicable statutes, rules, and standards for attorneys.

A person who is not regularly engaged in the business of being a mortgage loan originator. See Mont. Code Ann. § [32-9-103\(39\)](#) for definition of regularly engaged.

An individual who is an employee of a retailer of manufactured or modular homes if the employee is performing only administrative or clerical tasks in connection with the sale or lease of a manufactured or modular home and if the individual receives no compensation or other gain from a mortgage lender or a mortgage broker for the performance of the administrative or clerical tasks.

### Temporary Authority to Operate

Temporary Authority to Operate (TAO) is a section of the SAFE Act which allows applicants of the mortgage loan originator license who meet certain criteria the authority to act as a mortgage loan originator (MLO) for a 120-day period while the State reviews their application. For more information about TAO, please visit our [website](#).

### Remote Work

A mortgage loan originator may work from a remote location 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.

### Helpful Resources

- [Individual Form \(MU4\) Filing Quick Guide](#)
- [License Status Definitions Quick Guide](#)
- [Disclosure Explanations - Document Upload Quick Guide](#)
- [State-Specific Education Chart](#)
- [Individual Test Enrollment Quick Guide](#)
- [Course Enrollment 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](mailto:mortgagelicensing@mt.gov) for additional assistance.

## Timeline

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 individual applications is 10 days to act on a correctly completed application form.

The applicant must provide all items on this checklist within 60 days of submission of the application or the application will be deemed abandoned and withdrawn. Montana does not issue paper licenses for this license type.

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.

**PREREQUISITES** - *These items must be completed prior to the submission of your Individual Form (MU4), unless eligible for Temporary Authority.*

Complete	Montana Mortgage Loan Originator License	Submitted via...
<input type="checkbox"/>	<p><b>Pre-licensure Education:</b> Prior to submission of the application, complete at least 20 hours of NMLS-approved pre-licensure education (PE) courses which must include 2 hours of Montana-specific content.</p> <p>Follow the instructions in the <a href="#">Course Completion Records Quick Guide</a> to confirm that PE has been posted to your record and the PE Total indicates “Compliant.”</p> <p><b>Note: Pre-licensure education is valid for three years from the date the education was completed or the last day you held a mortgage loan originator license or registration in any jurisdiction, whichever is later.</b></p>	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Testing:</b> Must satisfy one of the following three conditions:</p> <ol style="list-style-type: none"> <li>1. Passing results on both the National and Montana State components of the SAFE Test, or</li> <li>2. Passing results on both the National and Stand-alone UST components of the SAFE Test, or</li> <li>3. Passing results on the National Test Component with Uniform State Content</li> </ol> <p>Follow the instructions in the <a href="#">View Testing Information Quick Guide</a> to confirm test results have been posted to your record and indicate “Pass.”</p> <p><b>Note: Section 1505(d) of the S.A.F.E. Mortgage Licensing Act states, ““...[a] state licensed loan originator who fails to maintain a valid license for a period of 5 years or longer shall retake the test, not taking into account any time during which such individual is a registered loan originator</b></p>	<b>NMLS</b>

**LICENSE FEES** - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

Complete	Montana Mortgage Loan Originator License	Submitted via...
<input type="checkbox"/>	<p><b>NMLS Initial Processing Fee:</b> \$30</p> <p><b>Montana License/Registration Fee:</b> \$400</p> <p><b>Credit Report:</b> \$15</p> <p><b>FBI Criminal Background Check:</b> \$36.25</p>	<b>NMLS (Filing submission)</b>

**REQUIREMENTS COMPLETED IN NMLS**- These items must be completed during or after the submission of your Individual Form (MU4).

Complete	Montana Mortgage Loan Originator License	Submitted via...
<input type="checkbox"/>	<p><b>Submission of Individual Form (MU4):</b> Complete and submit the Individual Form (MU4) in NMLS. This form serves as the application for the license through NMLS.</p>	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Criminal Background Check:</b> Authorization for an FBI criminal history background check to be completed in NMLS.</p> <p>After you authorize the FBI criminal history background check through the Individual Form (MU4), you must schedule an appointment to be fingerprinted.</p> <p>See the <a href="#">Completing the Criminal Background Check Process Quick Guide</a> for information.</p> <p><b>Note:</b> If you are able to 'Use Existing Prints' to process the FBI criminal history background check, you DO NOT have to schedule an appointment. NMLS will submit the fingerprints already on file and the background check will begin to process automatically.</p>	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Credit Report:</b> Authorization for a credit report must be completed. Upon initial authorization, you are required to complete an Identity Verification Process (IDV) within the Individual Form (MU4). See the <a href="#">Individual (MU4) Credit Report Quick Guide</a> for instructions on completing the IDV.</p> <p><b>Note:</b> The same credit report can be used for any existing or additional licenses for up to 30 days.</p>	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Disclosure Questions:</b> Provide an explanation and, if applicable, a supporting document for each "Yes" response. See the <a href="#">Individual Disclosure Explanations Quick Guide</a> and the <a href="#">Disclosure Explanations - Document Upload Quick Guide</a> for instructions.</p>	<b>Upload in NMLS</b> in the <i>Disclosure Explanations</i> section of the Individual Form (MU4).
<input type="checkbox"/>	<p><b>Company Sponsorship:</b> A sponsorship request must be submitted by your employer. The company/branch requesting sponsorship must be licensed in Montana. Montana</p>	<b>NMLS</b>

	<p>will review and accept or reject the sponsorship request.</p> <p>Montana law requires MLOs to be <b>W2 Employees</b> (<a href="#">32-9-116, MCA</a>; <a href="#">ARM 2.59.1701 (3)</a>). Your employer must complete the Worker Classification section in the NMLS.</p> <p>Montana offers an “Approved-Inactive” license status. If you are not currently employed by a mortgage company (or your employer has not yet requested sponsorship on your behalf) and you have completed all requirements for this license, the license may be issued as “Approved-Inactive” until sponsorship by a mortgage company is acquired. While in an “Approved-Inactive” status, you are NOT authorized to conduct business under the authority of the Montana Mortgage Loan Originator License.</p>	
<input type="checkbox"/>	<p><b>Employment History:</b> The business address listed in the Employment History section of the Individual Form (MU4) must match the address of the registered location in the Company Relationship.</p>	<b>NMLS</b>

<b>REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS</b>		
<b>Complete</b>	<b>Montana Mortgage Loan Originator License</b>	<b>Submitted via...</b>
<input type="checkbox"/>	<p><b>Credit Report Explanations:</b> Submit 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 Disclosure Explanations section of your Individual Form MU4.</p> <p>This document should be named <i>Credit Report Explanations – Montana Mortgage Loan Originator – Document Creation Date</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <a href="#">Credit Report Explanations</a> in the <i>Document Uploads</i> section of the Individual Form MU4.</p>

<b>REQUIREMENTS SUBMITTED OUTSIDE OF NMLS- These items must be completed outside of NMLS and submitted directly to the regulator.</b>		
<b>Complete</b>	<b>Montana Mortgage Loan Originator License</b>	<b>Submitted via...</b>
<input type="checkbox"/>	<p><b>Request Processing of Application This Calendar Year:</b> If this application is submitted between <u>November 1 and December 31</u>, it will be placed on hold until 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. 31<sup>st</sup> which will be invoiced through NMLS. <a href="#">Mortgage Loan Originator Renewal Form</a></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>UNLESS RENEWED, ALL LICENSES EXPIRE ON DECEMBER 31.</p>	<p><b>Email to:</b> <a href="mailto:mortgagelicensing@mt.gov">mortgagelicensing@mt.gov</a></p>

<input type="checkbox"/>	<b>Verification of Experience:</b> Individuals who are acting as a Qualified Individual or a Branch Manager must submit W-2's or 1099's to prove 3 years of experience. Individuals who are acting as a Responsible Individual must submit proof of 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.	<b>Email to:</b> <a href="mailto:mortgagelicensing@mt.gov">mortgagelicensing@mt.gov</a>
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