



MT Escrow Business License New Application Checklist (Entity)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who Is Required to Have This License?

Any company that engages in commercial activity characterized by the regular and continuous carrying on of escrow transactions. Escrow transactions mean any transaction in which one person, for the purpose of effecting the sale, transfer, encumbrance, or lease of real or personal property to another person or for the purpose of making payments under any encumbrance of the property, delivers any written instrument, money, evidence, title to real or personal property, or other thing of value to a third person to be held by that third person until the happening of a specified event or the performance of a prescribed condition, when the instrument, money, evidence, title, or thing of value is to be delivered by the third person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee, or bailor or to any agents or employees pursuant to the written escrow instructions.

The following entities do not need this license:

- a person licensed pursuant to Title 32, chapter 9, part 1, as a mortgage broker, mortgage lender, or mortgage servicer, except that a licensed mortgage broker, mortgage lender, or mortgage servicer that provides escrow services in relation to contracts, agreements, or transactions besides residential mortgage loan agreements also must be licensed under this part as an escrow business;
- a financial institution, as defined in 32-6-103, that has its escrow accounts regularly audited or examined. The financial institution shall supply a copy of the most recently prepared audit or examination to the department upon the department's request;
- any broker licensed by the Montana board of realty regulation if the broker is performing an act in the course of or incidental to a single real estate transaction for which a real estate license is required, and a trust account of a broker licensed by the Montana board of realty regulation is not an escrow account within the meaning of this part;
- any person furnishing escrow services under the order of a court; and
- a loan closer if the loan closer:
 - is employed by an exempt financial institution; or
 - is an independent contractor acting only as a courier and who does not take possession of the funds for deposit or subsequent disbursement.

Activities Authorized Under This License

This license authorizes the following activities:

- Escrowing Agents

Updated: 3/23/2021

Pre-Requisites for License Applications

- None

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 Escrow Business License	Submitted via...
<input type="checkbox"/>	MT License/Registration Fee: \$350	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS		
Complete	MT Escrow Business 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>
<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).
<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

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

Complete	MT Escrow Business 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 plan.</p>	<p>Upload in NMLS: under the Document Type “Business Plan” in the <i>Document Uploads</i> section of the Company Form (MU1).</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>Upload in NMLS: under “Formation Document” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

	<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 • 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>Document Samples: Upload copies of documents used in the regular course of business in connection with certain license types as required by Montana (e.g. fee schedules, consumer disclosure forms).</p>	<p>Upload in NMLS: under “Document Samples” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Trust Account Authorization: Upload authorization allowing examination of escrow accounts used for the purpose of holding funds belonging to others. Click here for authorization form.</p>	<p>Upload in NMLS: under “Trust Account” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>