



# SD Money Lender License New Application Checklist (Company)

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## CHECKLIST SECTIONS

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

## GENERAL INFORMATION

### Who Is Required to Have This License?

Anyone engaged in the business of lending money, includes the originating, selling, servicing, acquiring, or purchasing of any loan involving a borrower who is a person other than a family member, or the servicing, acquiring, or purchasing of a retail installment contract a party to which is a person other than a family member to be a Money Lender and subject to the licensing requirement of South Dakota Codified Law (SDCL) 54-4

Payday and title lenders are also licensed as Money Lenders under SDCL 54-4.

### Activities Authorized Under This License

This license authorizes the following activities...

- Accounting/Billing servicing
- Consumer loan brokering
- Consumer loan lending
- Consumer loan servicing
- Industrial loan lending companies
- Non-private student loan lending
- Non-private student loan servicing
- Payday lending - online
- Payday lending - storefront
- Premium finance company activities
- Private student loan lending
- Private student loan servicing
- Property Tax Lending
- Refund anticipation lending
- Retail installment selling
- Sales finance company activities - general
- Sales finance company activities - motor vehicles
- Title lending

### Pre-Requisites for License Applications

- Each money lender location must be separately licensed.
- A surety bond in an amount not to exceed the total of ten thousand dollars (\$10,000) for the first license and two thousand five hundred (\$2,500) for each additional license.

- Foreign Corporations will need to contact the SD Secretary of State's office at 605.773.3537 to determine if a Certificate of Authority is required for the business to be conducted in South Dakota.
- Money Lenders are subject to the South Dakota bank franchise tax. The bank franchise tax is a net income tax under SDCL 10-43. If you have questions about the bank franchise tax, you may contact the Special Taxes office at 605.773.3311.
- South Dakota does not currently have an educational, net worth, or physical presence requirement for money lenders.

South Dakota Division of Banking 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 Descriptions 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. Generally, unless the document is state-specific, if the 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., Surety Bonds), be sure to indicate the applicable state.

### Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

### Agency Contact Information

Contact the South Dakota Division of Banking licensing staff by phone at 605.773.3421 or send your questions via email to [banking@state.sd.us](mailto:banking@state.sd.us) for additional assistance.

### **NOTICE:**

Failure to provide **ALL** items on the checklist will result in the application being **Withdrawn- Application Abandoned** for submitting an incomplete application.

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.

<b>Complete</b>	<b>SD Money Lender License</b>	<b>Submitted via...</b>
<input type="checkbox"/>	<b>SD License/Registration Fee:</b> \$1,000 <b>SD Application Fee:</b> \$0 <b>NMLS Initial Processing Fee:</b> \$100	<b>NMLS (Filing submission)</b>
<input type="checkbox"/>	<b>Credit Report for Control Persons:</b> \$15 per control person.	<b>NMLS (Filing submission)</b>

REQUIREMENTS COMPLETED IN NMLS		
Complete	SD Money Lender License	Submitted via...
<input type="checkbox"/>	<b>Submission of Company Form (MU1):</b> Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.	<b>NMLS</b>
<input type="checkbox"/>	<b>Financial Statements:</b> Upload an audited financial statement prepared by a Certified Public Accountant in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant notes thereto. If applicant is a start-up company, only an initial statement of condition is required.  <b>Note:</b> Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the <a href="#">Financial Statements Quick Guide</a> for instructions.	<b>NMLS</b>
<input type="checkbox"/>	<b>Other Trade Name:</b> 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). South Dakota Division of Banking does not limit the number of other trade names.  If operating under an “Other Trade Name”, upload <b>STATE OF SOUTH DAKOTA Doing Business As (DBA) Fictitious Business Name Registration</b> from the South Dakota Secretary of State regarding ability to do business under that trade name.  This document should be named SD Money Lender Trade Name – Assumed Name	<b>NMLS</b>  <b>Upload in NMLS:</b> under the Document Type <a href="#">Trade Name/Assumed Name Registration Certificates</a> in the <i>Document Uploads</i> section of the Company Form (MU1).
<input type="checkbox"/>	<b>Resident/Registered Agent:</b> 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 the <a href="#">South Dakota Secretary of State</a> .	<b>NMLS</b>
<input type="checkbox"/>	<b>Primary Contact Employees:</b> The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1). 1. <b>Primary Company Contact.</b> 2. <b>Primary Consumer Complaint Contact.</b>	<b>NMLS</b>
Note	<b>Non-Primary Contact Employees:</b> SD does not <b>require</b> any non-primary contacts to be listed in the <i>Contact Employees</i> section of the Company Form (MU1).	<b>N/A</b>
Note	<b>Bank Account:</b> Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.	<b>N/A</b>

<input type="checkbox"/>	<p><b>Disclosure Questions:</b> 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 <a href="#">Company Disclosure Explanations Quick Guide</a> for instructions.</p>	<p><b>Upload in NMLS</b> in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>
<p>Note</p>	<p><b>Qualifying Individual:</b> The <i>Qualifying Individual</i> section is not required to be completed for SD on the Company Form (MU1).</p>	<p><b>N/A</b></p>
<input type="checkbox"/>	<p><b>Control Person (MU2) Attestation:</b> 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>	<p><b>NMLS</b></p>
<input type="checkbox"/>	<p><b>Credit Report:</b> 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>	<p><b>NMLS</b></p>
<input type="checkbox"/>	<p><b>Electronic Surety Bond:</b> Electronic Surety Bond via NMLS in the amount of \$10,000 furnished and submitted by a surety company authorized to conduct business in South Dakota.</p> <p>See the <a href="#">ESB Adoption Table</a> and the <a href="#">ESB for NMLS Licensees page</a> of the NMLS Recourse Center for more information.</p> <p><b>Note:</b> Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p>	<p><b>Electronic Surety Bond in NMLS</b></p>

**REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS**

Complete	SD Money Lender License	Submitted via...
<input type="checkbox"/>	<p><b>AML/BSA Policy:</b> Upload the most recent version of the Anti-Money Laundering (AML) / Bank Secrecy Act (BSA) Policy and the most recent Independent Review of the AML/BSA Program.</p> <p><u>AML/BSA Policy</u></p> <p>This document should be named <i>AML/BSA Policy [approval date mm-dd-yyyy]</i>.</p> <p><u>Independent Review of AML/BSA Program</u></p> <p>This document should be named <i>AML/BSA Policy Independent Review [review date mm-dd-yyyy]</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>AML/BSA Policy</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Business Plan:</b> Upload a business plan outlining the following information:</p> <ul style="list-style-type: none"> <li>• Marketing strategies</li> <li>• Products</li> <li>• Target markets</li> <li>• Fee schedule</li> <li>• Operating structure the applicant intends to employ.</li> </ul> <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p> <p><b>Note:</b> 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><b>Upload in NMLS:</b> under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Certificate of Authority/Good Standing Certificate:</b> Upload a South Dakota State-issued and approved document from the <a href="#">South Dakota Secretary of State's</a> office, dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in SD.</p> <p>This document should be named <i>SD Certificate of Authority OR SD Certificate of Good Standing</i></p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p><b>Company Staffing and Internal Policies:</b> Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> <li>• Underwriting Policy</li> <li>• Collection Policy</li> <li>• Information Security</li> <li>• Privacy of Consumer Financial Information Policy- Federal Regulation P</li> </ul> <p>This document should be named <i>[Name of Policy]</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Document Samples:</b> Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> <li>• <b>Loan Originators:</b> Upload a blank copy of loan contracts and disclosures of each loan product offered. Please reference <a href="#">SDCL 54-4-58</a>, Information required in the contract to ensure contract complies with South Dakota State Laws.</li> <li>• <b>Loan Servicers:</b> Upload a blank copy of welcome letters to customers. Please ensure the welcome letter has the required state disclosure:</li> </ul> <p>If there are any improprieties in the servicing of this loan, please contact the SD Division of Banking:  South Dakota Division of Banking  1601 N. Harrison Ave, Suite 1  Pierre, SD 57501  (605) 773-3421</p> <p>This document should be named <i>[Name of Document Sample]</i>.</p>	<p><b>Upload in NMLS:</b> under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Document Samples:</b> Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> <li>• <b><u>Uniform Consent to be Sued:</u></b> Upload a notarized uniform consent to be sued form in accordance with <a href="#">SDCL 54-4-69</a>.</li> </ul> <p>This document should be named <i>[South Dakota Uniform Consent to be Sued]</i>.</p>	<p><b>Upload in NMLS:</b> under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p><b>Formation Documents:</b> Determine classification of applicant’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p><b>Limited Liability Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Liability Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Company (“LLC”):</b></p> <ul style="list-style-type: none"> <li>• Articles of Organization (including all amendments);</li> <li>• Operating Agreement (including all amendments);</li> <li>• IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and</li> <li>• LLC resolution if authority not in operating agreement.</li> </ul> <p><b>Corporation:</b></p> <ul style="list-style-type: none"> <li>• Articles of Incorporation (including all amendments);</li> <li>• By-laws (including all amendments), if applicable;</li> <li>• Shareholder Agreement (including all amendments), if applicable;</li> <li>• IRS Form 2553 if S-corp treatment elected; and</li> <li>• Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable.</li> </ul> <p><b>Trust (Statutory), <i>excludes SD Chartered Trust Companies</i></b></p> <ul style="list-style-type: none"> <li>• Certificate of Trust; and</li> <li>• Governing instrument (all amendments).</li> </ul>	<p><b>Upload in NMLS:</b> under <u>Formation Document</u>” in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>
<input type="checkbox"/>	<p><b>Management Chart:</b> 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><b>Note:</b> 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><b>Upload in NMLS:</b> under <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Organizational Chart/Description:</b> Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> <li>• Direct Owners (total direct ownership percentage must equate to 100%)</li> <li>• Indirect Owners</li> <li>• Subsidiaries and Affiliates of the applicant/licensee</li> </ul> <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p> <p><b>Note:</b> If the existing uploaded Organizational Chart/Description 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><b>Upload in NMLS:</b> under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>



**INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS**

<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 <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p><b>Verification of Experience:</b> Provide a license specific resume with detailed job descriptions and/or duties performed evidencing experience in the industry the company is applying for a license. Detailed job descriptions and duties with all employers need to be incorporated into a resume to demonstrate experience related to the specific state license being applied for.</p> <p>This document should be named <i>[Document Type] – License Name</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Verification of Experience</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>

SOUTH DAKOTA DEPARTMENT OF LABOR AND REGULATION DIVISION OF BANKING  
UNIFORM CONSENT TO BE SUED

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, \_\_\_\_\_, (a corporation organized under the laws of the State of (\_\_\_\_\_) or a (partnership) (an individual) (other) \_\_\_\_\_ for the purpose of complying with the laws of the

State of South Dakota relating to the licensure as a Money Lender (SDCL ch. 54-4), does hereby consent that any action or proceeding against it arising from enforcement of the provisions of SDCL ch. 54-4 and any rules promulgated pursuant to SDCL ch. 54-4 may be commenced in any court of competent jurisdiction and proper venue within South Dakota.

It is requested that a copy of any notice, process or pleading served hereunder be mailed to:

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

\_\_\_\_\_ (City, State Zip  
code)

By \_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_ (State)

\_\_\_\_\_ (County)

Subscribed and sworn to (or affirmed) before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_, to me known to be the person who executed the foregoing instrument, and acknowledged that he executed the same of his own free act, and deed.

(Official Seal)

By \_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_, 20\_\_\_\_

