STATE OF MONTANA

Department of Administration
Division of Banking and Financial Institutions
PO Box 200546, Helena, Montana 59620-0546
(406) 841-2920 Fax (406) 841-2930

APPLICATION FOR CONSUMER LOAN OR SALES FINANCE COMPANY LICENSE

(Effective June 1, 2007. Do not use previous versions of this application.)

Date: _____

THIS IS AN APPLICATION FOR:	Fee	
☐ Basic Consumer Loan license Allows the licensee to make consumer loans up to $2,200.00	$125.00	($62.50 after June 30 of any year)
Include: investigation fee **(required for consumer loan applications only)**	$50.00	
☐ Supplementary Consumer Loan license Allows the licensee to make consumer loans in amounts greater than $2,000.00	$75.00	($37.50 after June 30 of any year)
☐ Sales Finance Company license.	$100.00	
TOTAL REMITTED		

General Information and Instructions:

This form is provided to applicants for Sales Finance Company licenses (Title 31, Chapter 1, Part 2, MCA) and Consumer Loan licenses (Title 32, Chapter 5, MCA).

A **Sales Finance Company** is defined as *"...a person engaged, in whole or in part, in the business of purchasing retail installment contracts from one or more sellers. The term includes but is not limited to a bank, trust company, investment company, or savings and loan association, if engaged in purchasing retail installment contracts. The term does not include a person who makes only isolated purchases of retail installment contracts, which purchases are not being made in the course of repeated and successive purchases of retail installment contracts from the same seller."* (31-1-202 (1)(q), Montana Code Annotated, 1999). Under the "isolated purchases" language of this Section, the Division does not require licensure for any person making three or fewer purchases of retail installment contracts per year. Banks, trust companies and savings and loan associations authorized to do business in Montana are exempted from licensure in 31-1-221 (1), MCA.

A **Consumer Loan** is defined as *"...credit offered or extended to an individual primarily for personal, family, or household purposes, including loans for personal, family, or household purposes that are secured by a mortgage, deed of trust, trust indenture, or other security interest in real estate."* It does not include first lien real estate loans governed by 12 USC 1735f-7a. It does not include commercial lending.

- ✓ An application for license must be completed in its entirety, with all applicable information and exhibits provided. If a particular item does not apply to the applicant's situation, enter "NA" or "None". Applications which are incomplete may be returned to the applicant.
  EXCEPTIONS: Applicants submitting multiple applications at one time are required to provide only one copy of information that is common to all the applications. Applicants that have other locations licensed by the Division may omit required information or exhibits if the information or exhibits on file with the Division have not changed materially and are less than two years old. Indicate that such information is on file with the Division.

- ✓ All information is to be typed or printed legibly in ink.

- ✓ Required exhibits as well as any additional information applicant considers appropriate are to be provided on letter size paper, except for official loan documents, which are to be provided in their original format.

- ✓ The application must be signed before a notary public.

- ✓ Application fees must be included with the application and are non-refundable.

- ✓ Each location conducting a consumer loan or sales finance company business must be licensed. A Consumer Loan license is not required for locations engaged only in loan support functions such as loan servicing or payment processing.

- ✓ If a licensee changes location the division must be promptly notified. The original license must be surrendered and a new license with the proper address will be issued, except when a consumer loan licensee relocates to another county. In those instances, a new Consumer Loan license application must be completed.

- ✓ Applications submitted between July 1 through October 31 are required to pay half of the licensing fee for each proposed location. The Division of Banking and Financial Institutions does not accept consumer loan or sales finance applications during November and December due to the processing of licensing renewals.

The original copy of the license is to be displayed at the licensed location in Montana or, if a Montana location is not maintained, at the office of the licensee's Montana registered agent.

Licenses expire at the end of the calendar year in which they were issued.

Licenses are non-transferable and non-assignable.

Statutory and operational benefits conferred by a license apply only to business activity after the date of licensure. Business conducted prior to the date of licensure is not ratified or validated by obtaining a license.

The Division has up to 30 days to consider a completed application for Consumer Loan License.

Because of the time required to process applications, and the need to issue license renewals at the end of each year, no license for the current year will be issued for an application received after November 1.

I. APPLICANT INFORMATION

Name to appear on license (include any assumed business name)			
Physical address of Licensed office			
Telephone		Fax	
Mailing address of Licensee			
Mailing address of Licensee's home office (if applicable)			

Persons to contact regarding:

	This application	License renewals	Montana complaints
Name & Title			
Address			
City, State			
Phone			
Fax			
E-mail			

II. BUSINESS INFORMATION

1. Provide the name, and resume, employment history or business record of the person(s) to be in charge of the licensed location.
2. Describe the type of loans to be made under the license.
3. Describe any other business conducted in the same office as the licensee.

	Yes	No	Not Applicable
4. The Montana Consumer Loan Act requires each Consumer Loan licensee to file an annual report which provides information about the licensee's Montana business. Do you agree to keep a separate set of books and records to be used for the consumer loan business only?			
If "No", you must be able to extract the financial information particular to the Consumer Loan business.			
5. Has any court or regulatory authority ever cancelled, suspended or revoked the authority of the applicant, or any entity with which the applicant is or was associated? If so, please attach a sheet giving details.			

III. BUSINESS STRUCTURE

Applicant is a:

☐ Corporation — Date of incorporation: _____ Publicly Traded? _____
Go to "A" below

☐ Limited Liability Company — Date of formation: _____
Go to "B" below

☐ Partnership — Date of formation: _____ Limited partnership? _____
Go to "C" below

☐ Proprietorship
Go to "D" below

A. All corporate applicants must provide the following information

1. A list of the principal officers, their titles, and their business addresses. If applying for a Sales Finance License, residential addresses for these individuals are also required by law.
2. A list of directors or trustees, their titles, if any, and their business addresses. If applying for a Sales Finance License, residential addresses for these individuals are also required by law.
3. If not a publicly traded corporation, a list of the principal shareholders (those owning more than 20% of the outstanding shares) of the corporation.
4. A copy of the articles of incorporation showing the date of filing with the Secretary of State, and any amendments to those articles.
5. If using an assumed business name, a copy of the acknowledgement of registration of that name with the Montana Secretary of State
6. A copy of the minutes of the directors' or stockholders' meeting at which business operations in Montana were authorized.
7. A certificate of good standing from the corporation's home state.
8. If the applicant is not a Montana corporation:
   a. The name and address of the corporation's Montana registered agent
   b. A certificate issued by the Montana Secretary of State authorizing applicant to do business in Montana.

B. All limited liability company applicants must provide the following information

1. A list of the manager(s) and other operating officers, their titles, and their business addresses. If applying for a Sales Finance License, residential addresses for these individuals are also required by law.
2. If not managed by a manager, a list of the principal members, their titles, if any, and their business addresses. If applying for a Sales Finance License, residential addresses for these individuals are also required by law.
3. A copy of the articles of organization showing the date of filing with the Secretary of State, and any amendments to those articles.
4. A copy of the operating agreement, if any, and any amendments to the agreement.
5. If using an assumed business name, a copy of the acknowledgement of registration of that name with the Montana Secretary of State.
6. A certificate of good standing or similar document from the company's home state.

7. If the applicant is not a Montana limited liability company:
   a. The name and address of the company's Montana registered agent.
   b. A certificate issued by the Montana Secretary of State authorizing applicant to do business in Montana

C. All partnership applicants must provide the following information

1. A list of the partners, their titles, if any, their ownership interest, and their business addresses. If the partnership is a limited partnership, indicate the general partner(s). If applying for a Sales Finance license, residential addresses for all these individuals are also required by law.
2. A copy of the partnership agreement showing the date of filing with the Secretary of State, and any amendments to the agreement.
3. If operating under a fictitious name, a certificate from the county clerk showing compliance with Montana laws pertaining to conducting business under a fictitious name.
4. If the applicant is a limited partnership, or a foreign partnership, the name and address of the applicant's Montana registered agent. Montana general partnerships that have designated an agent shall provide the agent's name and address.

D. All proprietorship applicants must provide the following information

1. A list of the owners of the applicant and their business addresses. If applying for a Sales Finance License, residential addresses for these individuals are also required by law.

IV. GENERAL

All applicants must provide the following information, as separate exhibits:

1. An itemized statement of applicant's current financial condition. If a publicly traded corporation, the corporation's latest form 10-K filing may be provided. If a partnership, financial statements for the general partner(s) are required. If a proprietorship, financial statements for the proprietor(s) are required. Financial statements other than those provided by a public accountant or contained in a corporation's annual report or form 10-K must be originals and signed by the preparer.
2. If any persons other than those named in this application and other than stockholders, partners or members of the applicant are to provide capital, please provide details, including names, amounts to be provided, and the nature of the arrangements.
3. List of other states in which licenses to conduct the same type of business are held.
4. A statement listing fictitious names under which applicant has conducted business.
5. A copy of all loan documents proposed to be used by applicant.
6. A current schedule of loan fees.
7. A statement summarizing applicant's business plan, including the reasons why applicant believes the business will be successful in Montana, and the annual volume of business projected for Montana.
8. A Personal Questionnaire (form is attached) completed by each principal in a proprietorship, each general partner in a partnership, the principal officers and all active directors in a corporation or each manager of a limited liability company, as well as the person to be in charge of the proposed licensed location.
9. Title 39, Chapter 71, Montana Code Annotated, generally requires every employer to provide workers' compensation insurance for its employees. Provide the name of applicant's workers compensation insurance carrier, or the reasons why applicant is exempt from providing such coverage.

V. CHANGE OF OFFICERS, DIRECTORS OR MANAGERS

Applicant agrees, if a license is issued, to notify the Department of Administration of any change of officers, directors or managers associated with its Montana business, within 10 days of the effective date of such change. Notification will set forth the changes made, the names of the persons involved, a completed Personal Questionnaire (form is attached), and a statement of the qualifications of each person not formerly in an official position.

VI. SIGNATURES

For corporations or limited liability companies:

Entity Name: _____

(IMPRINT SEAL)

By: _____

Its: _____

And
By: _____

Its: _____

And
By: _____

Its: _____

For Partnerships and Proprietorships:

_____ _____

_____ _____

_____ _____

Subscribed and sworn to before me this _____ day of _____ by _____

_____ known to me to be the person whose signature appears on this

document. Witness my hand and official seal this _____ day of _____ .

_____ Notary Public

(SEAL)

For the State of _____

Residing at _____

My Commission expires: _____

PERSONAL QUESTIONNAIRE

To be completed by each principal in a proprietorship, each general partner in a partnership, the principal officers and all active directors in a corporation or each manager of a limited liability company, as well as the person to be in charge of the proposed licensed location.

Name: _____

Title or Position: _____

	Yes	No
Have you violated the laws of any other state relating to interest or charges on any type of credit transaction?		
Have you ever entered a plea of guilty or nolo contendere to, or been convicted of, a felony or a misdemeanor other than a misdemeanor traffic violation?		
Have you ever been confined in a city, county, state or federal penal institution for any reason other than to serve a sentence for a misdemeanor traffic violation?		
Have you ever been held liable in any civil or criminal fraud action or has ever been found, in a proceeding before any federal, state, or local court or agency, to have committed fraud?		
Is there pending, at any governmental level, any proceeding charging you with having committed a felony or misdemeanor other than a misdemeanor traffic violation?		
Is there pending, at any governmental level, any proceeding charging you with actual or constructive fraud?		
Have you or any entity you have been associated with ever been a party to or had or claimed any interest in a civil proceeding?		
Have you, or any business with which you are or were associated, ever been refused a license to operate the type of business proposed or had a license to operate such a business revoked or suspended in any other state?		
Have you ever changed or been known by any name other than that provided in the application?		

Any affirmative answer to any of the above questions shall be explained in detail on separate pages.

I certify that the above answers are true and correct to the best of my knowledge and belief. I understand that inaccuracies or omissions may cause denial of this application for license.

SIGNATURE _____ TITLE _____ DATE _____

Subscribed and sworn to before me this _____ day of _____ by _____

_____ known to me to be the person whose signature appears on this

document. Witness my hand and official seal this _____ day of _____ .

_____ Notary Public

(SEAL)

For the State of _____

Residing at _____

My Commission expires: _____