

# Money Transmitter New Application Checklist

## General Instructions

To ensure there are no delays in the review of your application:

1. Upload the required documents outlined in this checklist to the appropriate section in the Nationwide Multistate Licensing System ([NMLS](#)).
2. Processing of the application begins with receipt of the required documents and fees.
3. An incomplete application delays processing.

## Alaska Authority

Alaska Statute 06.55 Alaska Uniform Money Services Act <https://www.akleg.gov/basis/statutes.asp#06.55>

Alaska Administrative Code: Title 3, Chapter 13 <https://www.akleg.gov/basis/aac.asp#3.13>

Alaska Statute 06.01.025 Records of the Department <https://www.akleg.gov/basis/statutes.asp#06.01.025>

**Alaska Money Transmitter license does not grant the authority to the licensee to engage in rehypothecation of consumer held cryptocurrencies. These are not assets of the licensee.**

## Activities Authorized Under This License

This license authorizes the following activities:

1. Crypto currency dealing or exchanging.
2. Crypto currency ATMs (aka BTMs) and/or kiosks
3. Crypto currency custodial services
4. Issuing and/or selling drafts
5. Selling prepaid access/stored value
6. Electronic Money Transmitting
7. Foreign currency dealing or exchanging.
8. Issuing money orders
9. Issuing prepaid access/stored value
10. Issuing traveler's checks
11. Other-Money Services
12. Selling money orders
13. Selling traveler's checks
14. Bill Paying

## Fees

AK License Fee - \$1,000

AK Application Fee - \$2,000

NMLS Initial Processing Fee – \$120

Credit Report for Control Persons - \$15 per Control Person

Uniform Authorized Agent Reporting Annual Processing Fee - An annual fee of twenty-five cents (\$0.25) for each active authorized agent/delegate location reported. The Division invoices this fee through NMLS on November 1<sup>st</sup> each calendar year.

## Money Transmitter New Application Checklist

There is no fee for the first 100 active agents reported (Companies with 100 agents or less are not subject to the UAAR Processing Fee). The maximum fee is \$25,000 per licensee in any one year.

The invoiced amount is based on the number of active agents in the system as of August 16th, (day after third quarter reporting deadline).

*Fees collected through NMLS are NOT REFUNDABLE.*

### Prerequisites for License Applications

- Net Worth \$25,000
- Due to the volatile nature of cryptocurrencies, the Division of Banking & Securities determined that in order to ensure proper consumer protection for the residents of Alaska, virtual currency applicants are to acquire an Electronic Surety Bond of \$500,000.00, in accordance with [AS 06.55.104\(f\)](#).
- Criminal Background Checks from all countries lived in for all control persons that meet the following criteria: Foreign nationals currently residing in the US, individuals who do not currently reside in the US, or individuals who have lived outside the US in the past 10 years.

### Agency Contact

Please contact our office for any questions regarding the licensing requirements outlined in this checklist. We are available Monday through Friday, from 8:00 AM to 4:00 PM Alaska Time. You can reach us by phone at 907-465-2521, or via email at [dbs.licensing@alaska.gov](mailto:dbs.licensing@alaska.gov).

Additional checklists pertaining to a Money Transmitter License may be found here:

<https://mortgage.nationwidelicingsystem.org/slr/SitePages/Checklist-Compiler.aspx>

The Alaska Division of Banking & Securities does not issue paper licenses for licenses administered in NMLS.

Please retain a copy of all documents uploaded to NMLS.

### Application Form

- Complete and submit the Company Form (MU1) in NMLS.

Please upload a certified resolution of Board of Directors, Manager, Member, or General Partner, authorizing the filing by the applicant of an application for a deferred deposit advance license in Alaska.

Please upload this document to the *Additional Requirement(s)* section of *Document Uploads* in NMLS, if applicable.

### Financial Information/Net Worth Requirement

- Upload to the *Financial Statements* section of MU1 in NMLS.

*Financial statements require preparation 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.*

## Money Transmitter New Application Checklist

1. Upload audited financial statement from the applicant's most current fiscal year, at a minimum, and the two years prior if available, in accordance with [AS 06.55.102\(b\)\(6\)](#).
2. Upload unconsolidated financial statement for the current fiscal year or personal financial statements for sole proprietorship, in accordance with [AS 06.55.102\(b\)\(7\)](#).
3. Upload most recent filed report with the United States. Securities & Exchange Commission, if the applicant is a publicly traded company, in accordance with [AS 06.55.102\(b\)\(8\)](#).
4. If applicant is a wholly owned subsidiary of another corporation, upload either the parent's consolidated audited financial statement of the current year and prior two years, or the parent's Form 10K reports filed with the United States. Securities & Exchange Commission for the prior three years in lieu of the financial statements, in accordance with [AS 06.55.102\(b\)\(9\)](#).
5. Start-up company applicants require uploading of an initial statement of condition and documentation supporting the method and source of capitalization (where the funding for your business comes from), in accordance with [AS 06.55.102\(b\)\(11\)](#).

### Authorized Agents (Delegates) Locations

- Licensees must use the NMLS Uniform Authorized Agent Reporting (UAAR) functionality to report Authorized Agents.

Agent adjustments (additions, deletions, and modifications) must be submitted through the UAAR on a quarterly basis, even if there are no changes to report.

#### Company Owned Locations/Branches

- If your company has company owned locations/branches that are authorized to conduct money services businesses in the state of Alaska, please include these as part of your UAAR.

### Other Trade Name

- Upload this document in the *Trade Name/Assumed Name Registration Certificates* section of *Document Uploads* of the MU1 in NMLS.

If operating under a name that is different from the applicant's legal name, that name ("Trade Name", "BDA" or "Assumed Name") list them under the Other Trade Names section of the MU1 in NMLS.

*Alaska does not limit the number of other trade names.*

If operating under an "Other Trade Name", upload a copy of the Alaska Business License from the [Alaska Division of Corporations, Business, and Professional Licensing](#) regarding privilege granted to do business under that trade name.

### Resident/Registered Agent

- List under *Resident/Registered Agent* section of the MU1 in NMLS.

Alaska Statutes state an applicant shall continuously maintain in Alaska, a registered agent, and a registered office for the purpose of a registered agent's statutory requirements to receive service of processes, notices, or demands required or permitted by law for service upon the applicant.

### Primary Contact Employees

- The contact information belonging to the following individuals (actual employees of the applicant, outside

counsel or consultants are unauthorized contact employees) completed in the *Contact Employees* section of the MU1.

## Money Transmitter New Application Checklist

1. Primary Company Contact: This individual will receive all communications from Alaska regulators.
2. Primary Consumer Complaint Contact: Consumer will receive the information belonging to this individual from Alaska regulators.

**NOTE** – All contact information must belong to the individual listed. Generic email addresses or email addresses belonging to another person are invalid. Generic emails like [licensing@domain](mailto:licensing@domain) are unacceptable.

### FinCEN Registration

- List under *Approvals and Designations* section of the MU1 in NMLS.

Latest registration number and authorization date required, as proof of registration with the U.S. Department of Treasury, as required under [31 USC 5330](#).

### Bank Account

- List under the *Bank Account* section of the MU1 in NMLS.

Bank account information for the company's Letter/Line of Credit, Operating, and Trust/Primary accounts.

Note - Security Investor Protection Corporations (SIPC) and Special Purpose Depository Institutions (SPDI) do not qualify as banks under Alaska Banking Code, as they cannot comply with [AS 06.05.355](#).

### Disclosure Questions

- Upload supporting documentation to the *Disclosure Explanations* section of the MU1 or MU2.

Provide a complete and detailed explanation and document upload for each "Yes" response to Disclosure Questions made on the MU1 or related MU2s.

### Control Person (MU2) Attestation

- Complete the Individual Form (MU2) in NMLS. The applicable control person must attest to the accuracy of this form before it is associated to the MU1.

The MU2, at a minimum, shall contain the residential history, employment history (including period when not actively employed) and other business information for the 10 years preceding the submission of the request for licensure, in accordance with [AS 06.55.102\(b\)\(4\)](#).

**NOTE:** Foreign nationals, individuals who do not reside in the US, or individuals who have lived outside the US in the past 10 years must submit criminal background check for all countries the individual has lived in, translated into English, **prior** to applying for licensure or submitting a Change of Control Advance Change Notice.

- Authorization of an FBI Criminal Background Check (CBC) **NOT** required for Direct Owners/Executive Officers and Indirect Owners.

### Credit Report

- Individuals in a position of control must authorize a credit report through NMLS.

Individuals must complete an Identity Verification Process (IDV) along with an individual attestation before filing a license request for your company through NMLS. This authorization happens with the association of MU2 as part of MU1.

Control as defined in [AS 06.55.990\(3\)](#).

### Credit Report Explanations

## Money Transmitter New Application Checklist

- Upload this document in the *Credit Report Explanations* section of *Document Uploads* of the affected MU2 in NMLS.

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:

1. collections items,
2. charge offs,
3. accounts currently past due,
4. accounts with serious delinquencies in the last 3 years,
5. repossessions,
6. loan modifications, etc.

**Note** - Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the Disclosure Explanations section of the affected MU2.

### Electronic Surety Bond

- Electronic Surety Bond via NMLS in the amount of \$25,000 furnished and submitted by a surety company authorized to conduct business in Alaska.

Plus \$5,000 for each location (including internet, web portals, smart phone app platform, branches, and delegate locations) not to exceed \$150,000, unless instructed otherwise by licensing staff in accordance with [AS 06.55.104\(f\)](#).

NOTE: Surety bonds submitted via the *Document Uploads* section of MU1 **will not** satisfy this requirement.

### AML/BSA Policy

- Upload this document in the *AML/BSA Policy* section of *Document Uploads* of MU1 in NMLS.

Upload the most recent board approved version of Anti-Money Laundering (AML) / Bank Secrecy Act (BSA) Policy and the most recent Independent Review of the AML/BSA Program. Applicants must either provide an Information Security Policy or ensure their AML/BSA Policy addressed the handling of breaches in accordance with [AS 45.48.010-090](#) & [AS 45.48.400-510](#).

### Business Plan

- Upload to *Business Plan* section of *Document Uploads* of MU1 in NMLS.

Business plan outlining the following information:

1. Marketing strategies
2. Products
3. Target markets
4. Fee schedule
5. Operating structure the applicant intends to employ.
6. Use of authorized delegates & additional locations

- If the existing uploaded business plan already includes the above information, there is no need to upload an additional document.

### Certificate of Authority/Good Standing Certificate

## Money Transmitter New Application Checklist

- Upload to the *Certificate of Authority/Good Standing Certificate* section of *Document Uploads* of MU1 in NMLS.

Submit a copy of a Certificate of Authority or Certificate of Good Standing issued by CBPL. The CBPL Corporations contact: (907) 465-2550 or [corporations@alaska.gov](mailto:corporations@alaska.gov)

### Alaska Affidavit Form

- Upload this document in the *Certificate of Authority/Good Standing Certificate* section of *Document Uploads* of MU1 in NMLS.

Download an [Alaska Business Affidavit form](#) and complete the form including a selection of A or B on question 6. If the attestant physically signs the affidavit, the notary must do so also. If the attestant digitally signs the affidavit, the notary must do so also. Mixed physical and digital signatures deem the affidavit invalid.

### State of Alaska Business License

- Upload to the *Certificate of Authority/Good Standing Certificate* section of *Document Uploads* of MU1 in NMLS.

Submit a copy of the current Alaska business license, in accordance with [AS 43.70.020](#).

- The Alaska Division of Corporations, Business, and Professional Licensing (CBPL) Business License contact: (907) 465-2550 or [businesslicense@alaska.gov](mailto:businesslicense@alaska.gov)

### Flow of Funds Structure

- This **must** be a separate document from your Business Plan.
- Upload to the *Flow of Funds Structure* section of *Document Uploads* of MU1 in NMLS.

Submit a description of each type of transaction or service to be conducted. For each type, describe each step starting with the first encounter with the consumer and ending at the completion of the transaction when the beneficiary receives money. If submitting multiple types of transactions or services to be conducted, combine in single document for upload.

### Formation Documents

- Upload to the *Formation Document* section of *Document Uploads* of MU1 in NMLS.

Submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and **all** subsequent amendments, thereto include a list of any name changes.

Unincorporated Association: By-Laws or Constitution

General Partnership: Partnership Agreement

Limited Liability Partnership: Certificate of Limited Liability Partnership and Partnership Agreement

Limited Partnership: Certificate of Limited Partnership and Partnership Agreement

Limited Liability Limited Partnership: Certificate of Limited Liability Limited Partnership and Partnership Agreement

## Money Transmitter New Application Checklist

Limited Liability Company (“LLC”): Articles of Organization; Operating Agreement; IRS Form 2553 or IRS Form 8832 if S-Corp treatment elected; and LLC resolution if authority not in operating agreement.

Corporation: Articles of Incorporation; By-laws, if applicable; Shareholder Agreement; IRS Form 2553 if S-Corp treatment elected; and corporate resolution if authority complete application not in By-Laws or Shareholder Agreement

Not for Profit Corporation: Documents requested for a Corporation (above); and Proof of nonprofit status; Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or • statement from a state taxing body or the State attorney general certifying that:

(i) the entity is a nonprofit organization operating within the State; and

(ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or

entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State.

### Management Chart

- Upload to the *Management Chart* section of *Document Uploads* of MU1 in NMLS.

Submit a chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.

- If the existing uploaded management chart already includes the above information, do not upload an additional document.

### Organizational Chart

- Upload to the *Organizational Chart* section of *Document Uploads* of MU1 in NMLS.

Submit a chart showing (or a description which includes) the percentage of ownership of:

1. Direct Owners - total direct ownership percentage **must** be equal to 100%.
2. Indirect Owners- total direct ownership percentage **must** equate to 100%.
3. Subsidiaries and Affiliates of the applicant

If the existing uploaded Organizational Chart/Description already includes the above information, do not upload an additional document.

### Legal Name/Status Documentation

- *Direct Owners & Executive Officers only*
- Upload to the *Legal Name/Status Documentation* section of *Document Uploads* of affected MU2 in NMLS.

Upload legal documentation of legal name or legal status. This may be certified copies of divorce decree, marriage certificate, copy of driver’s license, passports, etc.