

LICENSED MORTGAGE LOAN ORIGINATORS  
**INDIVIDUAL BOND**

**Date:**

**Bond No.**

**Originator NMLS No.:**

WHEREAS, Article 12-E of the Banking Law of the State of New York requires each licensed mortgage loan originator (hereinafter, "Principal") to furnish to the Superintendent of Financial Services of the State of New York (the "Superintendent") a surety bond in an amount based on Principal's volume of business, in accordance with Section 420.15 of the Superintendent's Regulations; and

WHEREAS, Principal is required to furnish to the Superintendent a surety bond in the amount of \$ \_\_\_\_\_, in accordance with Section 420.15 of the Superintendent's Regulations;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

I. THAT \_\_\_\_\_  
as Principal, and \_\_\_\_\_, a Surety  
Company having its principal place of business in \_\_\_\_\_ County of \_\_\_\_\_  
State of \_\_\_\_\_ duly authorized to do business in the State of New York, each with respect only to the mortgage loan activities of Principal, are each firmly bound unto the Superintendent, as Obligee, in the principal sum of \$ \_\_\_\_\_, for the exclusive use of Obligee, who only may make claims hereunder, for the following event or events (individually, an "Occurrence") involving Principal: (i) reimbursement of consumer fees or other charges determined by Obligee to have been improperly charged or collected by Principal in violation of the business conduct and consumer protection laws and regulations applicable to Principal (each, an "Applicable Law"); (ii) payment of fines and penalties assessed against Principal for violations of an Applicable Law; (iii) in the event of the bankruptcy of Principal, or the surrender, termination or revocation of Principal's license, payment of unpaid Department fees or expenses assessed against Principal; and (iv) payment for damages to persons through Principal's acts or omissions related to Principal's activities as a mortgage loan originator as determined by a court or hearing officer to have been in violation of an Applicable Law; for the payment of which, well and truly to be made, Principal and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally by these presents.

2. Obligee shall notify the Surety in writing of any Occurrence which may cause the payment of this surety bond within ninety days of the discovery of the event or events giving rise to an Occurrence. Payment of this surety bond shall be made by the Surety to Obligee upon presentation of a written demand for payment to the Surety by Obligee. Said demand for payment shall be made within one year from the discovery of an Occurrence; provided, however, in the event an Occurrence results in an administrative hearing to suspend or revoke Principal's license or legal proceeding in a court of law, then the demand for payment under the bond shall be made within one year of issuance of Obligee's order resulting from the hearing or a final decision in such court matter. The Surety shall pay to Obligee the lesser of the amount of the bond in full or the actual damages as determined by Obligee within ninety days of receipt of such written demand for payment.

3. This bond shall continue in full force and effect indefinitely, subject, however, to cancellation. If the Surety shall so elect, this bond may be cancelled at any time by the Surety by filing with the Obligee a written notice of such cancellation by registered or certified mail with return receipt requested, the cancellation to be effective not less than thirty days after receipt by Obligee of such notice. The filing of such notice shall not discharge the Surety from any liability already accrued under this bond or which shall accrue herein before the expiration of such thirty day or other applicable period. The Surety shall remain liable for claims issued during the term of this bond and prior to the date of cancellation.

4. Obligee shall release this surety bond within six months (twelve months in the event matters covered by Section 4(iv) below are pending) of the bankruptcy of Principal, or the termination, surrender or revocation of Principal's license, provided that the proceeds of the bond shall have first been applied to: (i) reimbursement of all consumer fees or other charges determined by Obligee to be improperly charged or collected by Principal in violation of an Applicable Law; (ii) all fines and penalties assessed against Principal for violations of an Applicable Law; (iii) all Department examination costs, assessments and fees, if any, outstanding against Principal; and (iv) payment for damages to persons through Principal's acts or omissions related to Principal's activities as a mortgage loan originator as determined by a court or hearing officer to have been in violation of an Applicable Law. Nothing contained herein to the contrary shall prevent Obligee from continuing to retain possession of the bond or its proceeds in the event of ongoing litigation involving Principal.

5. Regardless of the number of years this bond remains in force, the aggregate liability of the Surety for any and all claims or judgments in no event shall exceed the full penal sum hereof, unless such sum has been replenished to comply with requirements of Obligee.

In Witness Whereof, we have duly executed the foregoing this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, to be effective on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

BY: \_\_\_\_\_  
Signature of Principal

Print Principal name: \_\_\_\_\_

Business Address: \_\_\_\_\_

\_\_\_\_\_  
Name of Surety Company

BY: \_\_\_\_\_  
Name and Title

*(if Attorney In Fact, must attach valid Power of Attorney from Surety)*