

ARKANSAS SECURITIES DEPARTMENT
1 COMMERCE WAY
SUITE 402
LITTLE ROCK, ARKANSAS 72202

FAIR MORTGAGE LENDING ACT
SURETY BOND FORM

Bond Number: _____

THIS SURETY BOND is given by the following SURETY:

Name

Address

City

State

Zip

And the following PRINCIPAL:

Name

Address

City

State

Zip

SURETY must be an entity licensed to transact surety business in the State of Arkansas.

PRINCIPAL, pursuant to the requirements of the Fair Mortgage Lending Act, Ark. Code Ann. §§ 23-39-501 through 23-29-518 (“Act”), has made application to, or is currently licensed by, the Arkansas Securities Commissioner (“Commissioner”) to conduct business in Arkansas as a: *(Check all that apply.)*

Mortgage Banker

Mortgage Broker

Mortgage Servicer

SURETY ensures that the PRINCIPAL’S obligations will be performed and acknowledges their indebtedness to any person having a claim pursuant to a cause of action brought against the PRINCIPAL under the Act. As required by the Act and Rules of the Fair Mortgage Lending Act (“Rules”), this surety bond (“Bond”) is in the amount of not less than \$100,000 in lawful money of the United States, the payment of which the PRINCIPAL and SURETY jointly and severally bind themselves, their successors, assigns, and legal representatives, to secure the faithful performance of the obligations of the PRINCIPAL for its conduct and that of its officers and employees under the Act. The appropriate amount of the Bond

shall be based on the mortgage loan activity in Arkansas of the mortgage broker, mortgage banker, or mortgage servicer during the previous year as set forth below:

(Check only one box in each column)

<u>Prior Year Activity</u>	<u>Surety Bond Amounts</u>
<input type="checkbox"/> Less than or equal to \$10,000,000	<input type="checkbox"/> \$100,000
<input type="checkbox"/> Between \$10,000,001 & \$25,000,000	<input type="checkbox"/> \$150,000
<input type="checkbox"/> Over \$25,000,000	<input type="checkbox"/> \$200,000

If the PRINCIPAL fully complies with the provisions of the Act, and pays and discharges all amounts owed upon any judgment or order obtained in any court of competent jurisdiction by any person or persons who may be injured or damaged by the PRINCIPAL while conducting business as a mortgage banker, mortgage broker or mortgage servicer, including judgments in suits for the misappropriation of any funds paid into or deposited with the PRINCIPAL, this bond shall be null and void; otherwise, this bond shall be and remain in full force and effect.

This Bond shall expire at such time as the license of the PRINCIPAL is withdrawn, terminates through non-renewal, or is revoked by the Commissioner, except as to liability for acts or omissions which occur prior to such time. This Bond may also be cancelled by the SURETY upon sixty (60) days prior written notice by registered mail to the PRINCIPAL and to the Commissioner, in which case this Bond shall be considered cancelled upon the expiration of said sixty (60) day period, except as to liability for acts or omissions which occur prior to the date of cancellation. Notice shall be deemed effective upon the receipt by the Commissioner of said written notice along with sufficient proof of notice to the PRINCIPAL.

This Bond shall cover claims for a period of at least five years from the point in time a liability or violation of the Act occurs. In no event shall the total liability of the SURETY, to all persons, cumulative or otherwise, exceed the amount specified in this Bond. It is understood and agreed that any person(s) having a claim under the conditions of this obligation may initiate suit in any court of competent jurisdiction against the PRINCIPAL and/or the SURETY upon this Bond.

WITNESS OUR SIGNATURES on this _____ day of _____, 20_____.

PRINCIPAL

BY: _____

TITLE: _____

SURETY

BY: _____

TITLE: _____

NOTE: Persons executing for SURETY other than corporate officers must attach a Power of Attorney.