



## BOND EXECUTION PROCESS

This guide walks you through the steps to execute and deliver a surety bond or a surety bond rider. There are two primary workflows for accomplishing these tasks; signing on behalf of the company as a company user or designating a Control Person on behalf of the company as signatory. To facilitate these processes, NMLS enables the following actions:

- [Review bonds pending action](#)
- [Sign a bond as a company user and deliver bond](#)
- [Designate a Control Person as a signatory and deliver bond](#)
  - For instructions on how to sign a bond or bond rider as a Control Person, reference the [Sign a Bond or Rider \(Control Person\) Quick Guide](#).

### **Workflow for Bonds or Riders Allowing Company User Signature**

Based on license-specific requirements, some bonds and bond riders can be signed and marked ready by a company user such as the Account Administrator. If the bond is a first-time electronic submission, it must be marked ready for the regulator by a company user. All future bond riders are automatically delivered to the regulator after the company user signs.

- Company user reviews the bond or rider.
- Company user signs the bond or rider.
  - (First time electronic submission) Company user signs and marks the bond ready for the regulator in one action, or marks it ready in a separate action.

### **Workflow for Bonds or Riders Requiring Control Person Signature**

Based on license-specific requirements, some bonds and bond riders require a Control Person to be designated as a signatory by a company user. If the bond is a first-time electronic submission, a company user must mark the bond ready after it is signed. All future bond riders are automatically delivered to the regulator after the Control Person signs.

- Company user reviews the bond or rider.
- Company user designates a Control Person as the signatory.
- Control Person signs the bond or rider.
  - (First time electronic submission) Company user marks the bond ready for the regulator.

## How to Review Bonds Pending Action (All Company Users)

Refer to the [Surety Entity Account Management Quick Guide](#) for information on how to receive email notifications when surety bond updates occur. Alternatively, request to be designated as a notification contact for the “Surety Bonds Pending Action” notification from an Account Administrator or Notifications Administrator.

**NOTE:** To navigate to the *Bonds Pending Action* page without using either the dashboard or notifications, click the **Tasks** tab, then click the **Surety Bonds** submenu.

1. Log in to NMLS.
2. From the Dashboard on the **Home** tab, scroll to “Surety Bonds and Riders.”
3. Click the hyperlink next to the appropriate bond category.
4. Click the **Review** button next to the bond you would like to review (see *Figure 1*).

The screenshot displays the NMLS Amber Best Rate Loan dashboard. A modal window titled "Bonds Pending Action" is open, showing a table of bonds. A red box highlights the "Review" button for the bond with License Type "Massachusetts Check Seller" and Bond Number "988989".

License Type	Bond Number	Bond Amount	Bond Effective Date	Designated Signatory	Status	Ready for Regulator	Latest Rider Effective Date
Texas - DOB Money Transmitter License	445577	\$300,000	9/6/2016	Conner, Ethan	Executed	No	
Massachusetts Check Seller	988989	\$100,000	12/13/2016		Pending Principal Signature	No	

Below the dashboard, the "SURETY BONDS AND RIDERS" section is visible, with a red box highlighting the "Not Marked Ready for Regulator" category, which has a count of 1. A red arrow points from this count to the "Review" button in the modal window.

Category	Count
Pending Signature	2
Not Marked Ready for Regulator	1
Pending Application Submission	0
Pending Broker of Record Changes	0

Figure 1: Using the Company Dashboard to Review Bonds Pending Action

## How to Sign a Bond or Bond Rider (Company Users)

1. Follow the steps in the [How to Review Bonds Pending Action](#) section above to get to the *Manage Surety Bond or Rider* page.
2. Confirm the bond details are accurate: licensee, bond producer, bond amount, conversion status, and effective date.

**NOTE:** For details on requesting a correction to bond details, please refer to the Bond Execution Exceptions Quick Guide.

3. Click the **Sign for Company** button.

**NOTE:** The “Sign for Company” and “Sign & Mark Ready” buttons are not available if the bond or rider requires a Control Person as signatory. See *How to Designate a Control Person Signatory and Submit the Bond* section below for details on this process.

4. Check the box in the attestation language, then click:

Button	Result	Note
<b>Sign</b>	Sign and save the bond	The bond will need to be marked “Ready” to complete bond submission to the regulator.
<b>Sign &amp; Mark Ready*</b>	<ul style="list-style-type: none"> <li>• Sign and ready the bond for delivery with a new application, OR</li> <li>• Sign and deliver the bond to the regulator for an existing license</li> </ul>	<ul style="list-style-type: none"> <li>• This button is only available for bonds that do not require a Control Person as a Designated Signatory.</li> <li>• If the corresponding license request has not yet been submitted, the bond is delivered upon submission of the license application.</li> </ul>
<b>Mark Ready*</b>	<ul style="list-style-type: none"> <li>• Ready the bond for delivery with a new application, OR</li> <li>• Deliver the bond to the regulator for an existing license</li> </ul>	This button will only be available for bonds that have already been signed by a Control Person or Company User, but have not been delivered to the regulator.
<b>Return to Surety</b>	Return the bond to the Surety Company/Bond Producer for correction	This allows the surety entity to make corrections to the bond and re-sign.
<b>Decline</b>	Decline the bond	

\*The Mark Ready Process is required for first time bond submission

## How to Designate a Control Person as Signatory and Deliver Bond

**NOTE:** For details on replacing a signatory, please refer to the [Bond Execution Exceptions Quick Guide](#).

1. Follow the steps in the [How to Review Bonds Pending Action](#) section above to get to the *Manage Surety Bond or Rider* page.
2. Click the **Designate Individual** button.
3. Enter the required information to search for a Control Person (Direct Owner, Executive Officer, Indirect Owner with control) within the company, then click the **Search** button.
4. Click the **NMLS ID Number** next to the appropriate individual.
5. Click the **Confirm** button. The signatory displays on the *Bonds Pending Action* page in the Designated Signatory field.

**NOTE:** Click the **Return to Detail** button to designate a different individual.

6. Confirming an individual sends the bond to the individual's NMLS account. He or she may then log in and complete the signing process from their individual NMLS account.

Reference the [Sign a Bond or Rider \(Control Person\) Quick Guide](#) for more information regarding this bond execution process.

**FOR FIRST-TIME BOND SUBMISSION ONLY:** Once the Control Person has signed the bond, the bond must be marked "Ready" by a company user. Marking a bond "Ready" indicates an executed original or converted bond is ready for delivery to the regulator.

If the corresponding license request has not yet been submitted, the bond is delivered to the regulator immediately upon submission of the license application.

7. Return to the *Bonds Pending Action* page.
8. Click the **Review** button next to the bond (See *Figure 1*).
9. Check the box in the attestation language and click the **Mark Ready** button.

**NOTE:** Bonds that have been delivered will no longer show on the *Bonds Pending Action* page. Bonds ready for delivery with a new application will remain on the list until the application is submitted.

For further assistance, please contact the NMLS Call Center  
at 1-855-NMLS-123 (1-855-665-7123).