This guide walks you through the process you must take to create and manage a bond in NMLS. The steps detailed review:

- Create a New Bond
- Create a Bond Rider
- Remove Authority for a Licensee
- Bond Management Tools
- Bond Upgrade due to Bond Form Revision
- Returned to Surety by Regulator
- Revised Form Bond Requirement
Create a New Bond

1. Log in to NMLS.

2. From the Home screen, click the Tasks tab.

3. Within the Tasks tab, click Surety Bond Management either in the top menu bar or in the main description panel.

4. Click the Create New Bond button. This will display a list of all of the licensees who have granted you authority to create bonds on their behalf (see Figure 1).

Figure 1: Surety Bond Management

5. Click the Create Bond button next to the licensee you will be creating a bond for.

6. Provide the requested information. Fields will automatically adjust based on requirements of the state and license type selected.

   NOTE: When creating a bond in NMLS to replace an existing paper bond previously provided to the Regulator (obligee), known as a bond conversion, select the Converted radio button and provide the existing information. The effective date on the bond (if applicable) will be the date the bond is signed in NMLS by the surety entity.
7. Click the Save & Proceed button (see Figure 2).

8. Review all information in the rendered bond. At the bottom of the page, check the box to attest, then click the Sign button (see Figure 3).

I, __________ Attorney-In-Fact, am employed by or am an officer or a control person of Ultra Bond Producer and am authorized to execute this Surety Bond on Surety Bond Company’s or Producer’s behalf.

On this date Wednesday, August 17, 2016, I verify that I am the person named above and that the bond provided to you herewith was validly issued and executed. I do solemnly swear or affirm under the penalties of perjury, or un-sworn falsification to authorities or similar provisions as provided by law that I have reviewed the foregoing statements.

Create a Bond Rider

1. Log in to NMLS.

2. From the Home screen, click the Tasks tab.

3. Within the Tasks section, click Surety Bond Management either in the top menu bar or in the main description panel.
4. Click the Manage Bonds link (see Figure 4).

![Image of Manage Bonds interface]

**Figure 4: Manage Bonds**

5. Use the filtering options to find the relevant bond. Once you have located the bond you would like to update, click the Manage button next to it.

6. Under the rendered bond, click the Create Rider button.

7. Enter the Rider Effective Date by either typing it or using the drop down calendar.

8. Select the field(s) that will be updated, and then click the Next button (see Figure 5).

![Image of Create Rider interface]

**Figure 5: Create Rider**

9. Enter the new value(s) in the field provided, then click the Save & Proceed button.

10. Use the checkbox to attest, then click the Sign button to send the rider to the Licensee for approval.


Remove Authority for Licensee

Surety Bond Producers can remove their authority for creating bonds on behalf of the licensee if there are no pending or active bonds. This includes bonds issued by the surety bond producer and bonds issued by the surety company with the surety bond producer identified as the broker of record (BOR).

1. Log in to NMLS.
2. From the Home screen, click the Tasks tab.
3. Within the Tasks section, click Surety Bond Management either in the top menu bar or in the main description panel.
4. Click Licensee Authority List.
5. Click the Remove button next to the name of the desired licensee (see Figure 6).

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**Figure 6: Remove Authority for Licensee**

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**Bond Management Tools**

- **Signatory Controls** - If a bond is created by a surety bond producer, the surety company/underwriting company listed on the bond will be able to sign or delete the bond while it is in the “Requires Rep Signature” or “Returned to Surety” status.

- **Bond Versioning** - When a bond form version change is required by a regulator, all undelivered bonds will be required to be upgraded to the new bond form version. Regulators will also have the ability to require all delivered bonds to be revised to the new bond form version. If regulators choose to require existing bonds to be updated to the new bond form revision, surety entities will be notified generally six months in advance of this change.

If at a later date, it is required, a license item will be placed on all licenses with a bond that requires revision. If a license has 2 or more bonds requiring revision, the license item will not clear until all bonds have been revised or submitted for cancellation.
**Bond Upgrade due to Bond Form Revision**

When a bond form upgrade is required by a regulator, a message will display at the top of the page when viewing the bond details for all bonds that have not been delivered to the regulator. This includes bonds that have been “Executed” but not Marked Ready and bonds in a “Returned to Surety” status.

1. Log in to NMLS.
2. From the Home screen, click the **Tasks** tab.
3. Within the Tasks section, click **Surety Bond Management** either in the top menu bar or in the main description panel.
4. Click **Manage Bonds** in the left navigation panel (see *Figure 7*).

![Figure 7: Surety Bond Management](image)

5. Click the **Manage** button beside the bond requiring upgrade.

**NOTE:** Email notifications will be sent to both the surety company and the surety bond producer informing users of the bond upgrade requirement. The notification is defaulted to be sent to the account administrators but is also available for subscription by organization users.
6. A message will appear at the top of the Manage Bonds page alerting the user to the bond upgrade requirement. Click the **Continue** button to proceed with the upgrade (see Figure 8).

![Figure 8: Bond Upgrade on Manage Bonds Page](image)

7. A message will appear confirming the bond has been upgraded to the latest bond form version. The bond is now ready to be re-signed and will follow the existing bond execution process (see Figure 9).

![Figure 9: Bond Upgrade Completion on Manage Bonds Page](image)
Returned to Surety by Regulator

There are only seven accepted reasons for returning a New/Original bond (see Table 1). A Converted bond should be returned if any bond detail does not match the latest paper bond or rider.

<table>
<thead>
<tr>
<th>Return the Bond</th>
<th>Request a Rider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incorrect license type</td>
<td>Bond amount</td>
</tr>
<tr>
<td>Incorrect signatory</td>
<td>Bond effective date</td>
</tr>
<tr>
<td>Incorrect converted bond information</td>
<td>Bond number</td>
</tr>
<tr>
<td>Incorrectly listed underwriting surety company</td>
<td>Licensee name</td>
</tr>
<tr>
<td>Incorrect converted bond indicator</td>
<td></td>
</tr>
<tr>
<td>Duplicate bond</td>
<td></td>
</tr>
<tr>
<td>Unnecessary bond</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Return a Bond or Request a Rider

The returned bond and any delivered riders are captured as a snapshot with a “Returned to Surety” watermark. In addition, the regulator must provide a note explaining in more detail why the bond was returned. Once a bond is returned, the surety can amend the bond and resubmit by completing the standard signing process, or may void the bond (see Bond Recreation below for more details).

Riders – All riders associated with the returned bond are automatically voided by the system. Delivered riders are captured in the returned bond snapshot, but pending riders are not. It is possible to incorporate rider changes into the resubmitted bond, but not required. Any changes made by rider but not incorporated into the resubmitted bond must be recreated via a new rider. If the returned bond is a converted bond with riders, the original effective date of the resubmitted converted bond is the surety signatory date. Paper riders may need to be completed before the bond is converted.

Bond Recreation – A returned bond can be amended and recreated by a surety entity without voiding it. The Surety Company user must have either the Manage Bonds, Manage Bonds and Sign Bonds, or Account Administrator role to recreate a returned bond. If the Surety Company voids the bond, it can be recreated by either the SC or the Surety Bond Producer.

Bond Voiding – Voiding a returned bond allows for the bond number to be reused. Surety Companies can void a returned bond, but Surety Bond Producers cannot. Instances of Voided bonds are viewable by both the Surety Company and Surety Bond Producer within their respective Manage Bonds lists. A new Bond Status, Voided, has been added to assist with accessing these bonds.
Notifications – If the Surety Company created the bond with no Surety Bond Producer, then only the Surety Company is notified when a bond is returned. If the Surety Bond Producer created the bond, both the Surety Bond Producer and the Surety Company receive notification.

Surety Bond Transaction Report – The report will capture the new bond transactions types, including Returned to Surety by the Regulator, Rider Voided (for riders voided by the system if associated bond is returned), and Voided (for returned bonds voided by the Surety Company).

View a Returned Bond

1. Log in to NMLS.

2. From the Home screen, click the Tasks tab.

3. Within the Tasks tab, click Surety Bond Management either in the top menu bar or in the main description panel (see Figure 10).

4. Click Manage Bonds.

![Figure 10: Surety Bond Management](image-url)
5. Use the *Returned to Surety* Bond Status filtering option to find the relevant bond. Once you have located the bond you would like to update, click the **Manage** button next to it (see Figure 11).

**NOTE:** The return reason and regulator note both appear on the **Manage Bond** page.

Figure 11: Manage Bonds Page

6. Click the **View Bond Status Transactions** link to view a list of transactions related to the bond.
7. Click the View Detail link in the “Returned to Surety by Regulator” row to view a snapshot of the returned bond and any delivered riders voided by the system (see Figure 12).

![Bond Details as of 9/18/2017](image)

**Figure 12: View Returned Bond Details**

**Recreate a Returned Bond**

1. Log in to NMLS.
2. From the Home screen, click the Tasks tab.
3. Within the Tasks tab, click Surety Bond Management either in the top menu bar or in the main description panel.
4. Click Manage Bonds.
5. Use the filtering options to find the relevant bond. Once you have located the bond you would like to update, click the Manage button next to it.
   
   NOTE: The “Return Reasons” and “Note” fields will contain information about what corrections the Regulator expects.
6. Click the Edit button at the bottom of the page.
7. Correct the bond as necessary, then click the **Save & Proceed** button (see **Figure 13**).

![Edit Pending Bond]

**Figure 13: Edit Pending Bond**

8. Use the checkbox to attest, then click the **Sign** button to send the bond to the Licensee for approval (see **Figure 14**).

![Sign Amended Returned Bond]

**Figure 14: Sign Amended Returned Bond**

9. Once the Licensee signs the recreated bond and completes the Mark Ready process, the bond will be redelivered to the regulator.
Revised Form Bond Requirement

At times, state agencies may need to update bond form language on existing bonds. When this occurs, the system facilitates the issuance of the new bond form version that needs to be signed by both parties. An email notification and a system generated license item alerts all impacted Surety Companies, Surety Bond Producers and Licensees when a Revised Form Bond is required.

1. Use the filtering options to identify bonds in which a Revised Form Bond is Required (see Figure 15).

Figure 15: Filter for Revised Form Bond

2. Click the Manage button beside the applicable bond.
3. Click the **Issue Revised Form Bond** button to initiate the revision (see Figure 16).

![Figure 16: Issue Revised Form Bond](image)

4. Review the **Term Acceptance Date** and then click the **Next** button (see Figure 17).

**NOTE**: The Term Acceptance Date must be on or after the original Bond Effective Date on the latest delivered revision and cannot be future dated.

![Figure 17: Term Acceptance Date](image)
5. Click the **Save & Proceed** button to complete the attestation.

6. Proceed with the signing process by checking the attestation and clicking the **Sign** button. This delivers the bond to the licensee for their review and signature of the Revised Form Bond. When the Revised Form Bond is signed by both parties, the process is complete.

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