

## **SURETY BOND**

### **Mortgage Broker License**

Bond No. **[Bond Number]**  
Bond Amount: \$**[Bond Amount]**  
Effective Date: **[Bond Effective Date]**

THIS SURETY BOND is given by **[Licensee/Principal Legal Name]**,  
NMLS ID # **[Licensee/Principal NMLS ID]**, as Principal, and **[Surety Name]**, NAIC # **[Surety NAIC]**,  
as Surety, who is duly licensed to transact a surety business in the State of North Carolina, to the North  
Carolina Office of the Commissioner of Banks (“Commissioner”) under the following terms and  
conditions.

Principal and Surety are held and firmly bound unto the Commissioner for the use and benefit of  
claimants against the Principal in the sum of **[Bond Amount]** dollars, for the payment of which Principal  
and Surety jointly and severally bind themselves, their successors, assigns, and their legal representatives,  
to secure the faithful performance of the obligations of the Principal for its conduct and that of its officers,  
employees, and agents under Article 19B of Chapter 53 of the North Carolina General Statutes, the North  
Carolina Secure and Fair Enforcement Mortgage Licensing Act (“NC SAFE Act”) as may be periodically  
amended.

WHEREAS, the Principal has applied for or been granted licensure under the NC SAFE Act and  
is therefore required to post and maintain a surety bond at all times.

NOW, THEREFORE, the condition of the foregoing obligation is such that:

1. If the Principal faithfully performs all its obligations under the NC SAFE Act, this  
obligation will be void; otherwise the same will remain in full force and effect.
2. The Surety may terminate its obligation under this surety bond by giving the  
Commissioner ninety (90) days’ notice electronically through NMLS, but such notice shall not affect any  
liability arising prior to the cancellation of this surety bond; and the Principal and Surety shall remain  
liable for claims arising under this bond for a period of five (5) years following its cancellation, unless  
released in writing, in whole or in part, from such liability by the Commissioner.
3. This bond shall run to the State for the benefit of any claimants against the Principal for  
the faithful performance of the Principal’s obligations under the NC SAFE Act. Claimants against the  
Principal may themselves bring suit directly on the bond, or the Commissioner may bring suit on behalf  
of claimants, either in one action or in successive actions.
4. The aggregate liability of the Surety for any and all claims to one or more claimants  
hereunder shall not exceed the principal sum of the surety bond. Provided, however, that if a claim is  
made and paid under this bond, the Surety shall promptly notify the Principal of the payment of such

*This document is for reference ONLY. This bond form has been rendered electronically in NMLS for official use.*

claim, and the Principal shall have thirty (30) days within which to obtain an endorsement from the Surety to reinstate the total coverage of the bond to its original principal sum or file a replacement bond, if the Commissioner so requires.

5. Should the Commissioner determine that the Principal has violated any provision of the NC SAFE Act and issue an order instructing the Principal to pay certain monies to a claimant(s) by a date certain, or should the Principal agree to pay certain monies to a claimant(s) by a date certain pursuant to a consent order or its equivalent, then upon notice from the Commissioner that such amount has not been paid by Principal, Surety agrees to and will promptly (within thirty (30) days) remit the payment as instructed by the Commissioner.

6. The Principal shall within ten (10) business days of receipt of notice of any claim hereon, notify the Commissioner in writing.

7. The Surety shall within ten (10) business days of receipt of notice by the Surety of any claim or upon making any payment hereon, notify the Commissioner in writing.

This bond shall become effective on **[Effective Date]**, and shall continue in full force and effect until such time as the same is canceled as provided herein or as otherwise provided by law.

IN WITNESS WHEREOF, the Principal and Surety hereto have executed this surety bond this **[Signatory Date]**.

By: **[Principal Signee]**  
Principal

By: **[Surety Signee]**  
Surety