

Bond No. _____

**REVERSE MORTGAGE LENDER
SURETY BOND**

This SURETY BOND is given by the Principal:

Company Name: _____

Address: _____

City, State, Zip: _____

County: _____

The Surety is:

Company Name: _____

Address: _____

City, State, Zip: _____

County: _____,

a corporation organized under the laws of the State of _____ and licensed to transact a surety business in the State of North Carolina under the following terms and conditions.

Amount of the bond: One Hundred Thousand Dollars (\$100,000.00).

Principal and Surety are held and firmly bound unto the North Carolina Office of the Commissioner of Banks (“Commissioner”) for the use and benefit of claimants against the Principal in the above sum, the payment of which 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, employees, and agents under Articles [19B](#) and [21](#) of Chapter 53 of the North Carolina General Statutes, the North Carolina Secure and Fair Enforcement Mortgage Licensing Act (“NC SAFE Act”) and the Reverse Mortgage Act (“RMA”), respectively, as may be periodically amended.

The Principal has applied for or been granted authorization to engage in reverse mortgage lending under the RMA and is therefore required to post and maintain a surety bond in the above sum as required by Title 4, Subchapter 3K, [Section .0302](#) of the North Carolina Administrative Code.

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

1. If the Principal faithfully performs all its obligations under the RMA, 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 written notice at the address shown below. Provided, however, such notice shall not affect any liability arising prior to the effective date of cancellation of this surety bond; and, the Principal and Surety shall be and remain liable for a period of five (5) years from the date of any action or inaction of Principal that gives rise to a claim under this bond prior to its effective 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 RMA. Claimants against the Principal may submit bond claims directly to the surety or bring suit directly on the bond, or the Commissioner may bring suit on behalf of claimants, either in one action or successive actions. N.C. Gen. Stat. §§ [53-244.103\(c\)](#) and [53-271](#).

4. In no event shall the aggregate liability of the Surety for any and all claims to one or more claimants hereunder 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 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.

5. Surety agrees by issuing this bond that it will report any claims paid under this bond to the Commissioner within ten (10) days.

6. Should the Commissioner determine that the Principal has violated any provision of the RMA 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. N.C. Gen. Stat. §§ [53-244.116\(a\)\(4\)](#) and [53-271](#).

7. This bond shall become effective _____, _____, 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 _____ day of _____, _____.

	_____ Principal
Attest: _____	By: _____
	Signature
Title: _____	Name: _____
	Title: _____
	_____ Surety
Attest: _____	By: _____
	Signature
Title: <u>Underwriter</u> _____	Name: _____
	Title: <u>Attorney in Fact</u> _____

Persons executing for the Surety, other than corporate officers, must attach a Power of Attorney authorizing such person to execute surety bonds.

Commissioner's Mailing Address:

Office of the Commissioner of Banks
316 W. Edenton St.
4309 Mail Service Center
Raleigh, NC 27699-4309
Telephone 919-733-3016

Surety, please provide mailing address and contact information for claims submission, if different from above:

Name: _____
Title: _____
Address: _____

(City, State and Zip Code)

E-mail: _____

Tel. No.: _____

Fax No.: _____