pennsylvania
DEPARTMENT OF BANKING
AND SECURITIES

MARKET SQUARE PLAZA | 17 N SECOND STREET, Suite 1300 | HARRISBURG, PA 17101
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Bond No. _____

MORTGAGE SERVICER BOND

WHEREAS, Department means the Department of Banking and Securities of the Commonwealth of Pennsylvania located at 17 N. 2nd Street, Suite 1300, Harrisburg, Pennsylvania 17101, and

WHEREAS, Principal means _____,
(Name of Mortgage Servicer)

with its principal place of business at _____
(Principal's Address)

and phone number of _____
(Principal's Phone Number)

WHEREAS, Surety means _____,
(Name of Surety Company)

incorporated under the laws of the State of _____,
(State of Surety Company's Incorporation)

with its principal place of business at _____
(Surety's Address)

and phone number of _____
(Surety's Phone Number)

WHEREAS, Surety is licensed to do business in the Commonwealth of Pennsylvania, and is approved by the Secretary of Banking and Securities of the Commonwealth of Pennsylvania ("Secretary") as an acceptable Surety, and

WHEREAS, reference is made herein to the Mortgage Licensing Act (7 Pa. C.S. §§ 6101-6154), and

WHEREAS, any reference in this bond to any statute or regulation, including, but not limited to, the Mortgage Licensing Act ("Act") and the General Rules of Administrative Practice and Procedure ("GRAPP"), include the statute or regulation in force at the time this bond is executed as well as any subsequent amendments, alterations or replacements of such statute or regulation, and

WHEREAS, Principal has applied to the Department for a license under the provisions of the Act, and

WHEREAS, the granting of the license by the Department to Principal is conditioned upon Principal obtaining a bond in the amount of $500,000, in accordance with the applicable subsection (k)(4)(i) of section 6131 of the Act, and

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS that Principal and Surety, are held and firmly bound unto the Commonwealth of Pennsylvania in the just and full sum of $500,000 to the payment whereof, well and truly to be made, we bind ourselves, and our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents:

1. **Condition of the Obligation**. Principal shall maintain this bond to provide coverage for the acts or omissions of the Principal's mortgage originators that are related to the mortgage loan business regulated under this chapter.
If Principal shall faithfully:

a. comply with and abide by the provisions of the Act; and
b. ensure that it complies with and abides by all the rules and regulations of the Department issued in accordance with the Act; and
c. pay any moneys due to the Commonwealth, the Department, or any person or persons who is injured by the acts or omissions related to the mortgage loan business under the provisions of this Act,

then this obligation shall be null and void, otherwise to be and remain in full force and effect.

2. **Effective Date**. The effective date of this bond is set forth below.

3. **Determination of Amount of Bond**. Subsection (k)(4)(i) of section 6131 of the Act state that the amount of the bond shall be $500,000.

4. **Duration of Bond**. This bond shall continue in full force and effect indefinitely, subject, however, to cancellation.

5. **Cancellation**. Surety may elect to cancel this bond at any time by filing with the Secretary a thirty (30) day written notice of such cancellation. The bond cancellation shall be effective on the thirtieth (30^{th}) day after the filing of the written notice of cancellation. Surety shall remain liable for all transactions associated with the loaning of money at interest by Principal during the term of this bond until the effective date of the cancellation.

6. **Surety's Liability**. Regardless of the number of years this bond remains in force, the aggregate liability of Surety for any and all claims or judgments to one or more claimants in no event shall exceed the full penal sum.

7. **Default**. Upon the happening of any default of the conditions and obligations assumed under this bond and the declaration of a default by the Secretary, or his designee, the Secretary, or his designee, shall notify the Principal and Surety of such default. Said Surety shall pay the amount claimed within 30 days of the date of notice. If the Surety does not pay the amount claimed within 30 days after the notice of default, Principal and Surety hereby authorize and empower any attorney of record in Pennsylvania or elsewhere to appear for them, or either of them, and after one or more declarations filed to confess judgment against them in favor of the Commonwealth, to its use or the use of its certain attorney or assigns, for an amount up to the penal sum of the bond, together with costs of suit and five percentum, added as attorney fee, and they do further release all errors, and waive the right of exemption, and stay of execution and authorize the levy of their monies.

8. **Events Not Affecting Bond Liability**. This bond shall not be discharged by:

   a. the recovery of any specific amount of charges for examination, damages, costs, judgments, fines or penalties obtained in any specific action. The bond shall be in full force and effect until the full amount of the bond shall have been paid by reason of any number of charges for examination,

damages, costs, judgments, fines or penalties to which Principal may have become subjected; or

b. sums due, where the right to which sums did not arise during the license year for which the license found on the application which this bond accompanied was granted.

9. **Remedies**. Nothing herein shall limit the Department from seeking any remedy, in addition to the forfeiture of this bond, which may be authorized or provided under any law.

10. **Disclosure**. Principal and Surety agree that the Department may publish, divulge or otherwise disclose to any person or government entity this bond, the contents of this bond, and any information or material related to this bond. The information which may be disclosed includes, but is not limited to, pleadings, other submissions and orders related to any administrative proceedings, when such publication divulgement or disclosure is related to an administrative, judicial or other legal proceeding concerning this bond.

11. **Headings**. The headings used herein are for descriptive purposes only and have no legal force or effect.

IN WITNESS WHEREOF, Principal and Surety have set their hand, intending to be legally bound as of the _____ day of _____, 20___ ("Effective Date").

PRINCIPAL:

_____
(Print Principal Name)

Signed this_____day of_____, 20___ .

By: _____
(Signature)

_____
(Title: i.e. Attorney in Fact)

ATTEST OR WITNESS:

_____
(Where Required)

SURETY:

_____
(Print Surety Name)

Signed this_____day of_____, 20___ .

By: _____
(Signature)

_____
(Title: i.e. Attorney in Fact)

ATTEST OR WITNESS:

_____
(Where Required)

Form No. 3-FA-3.1