

**DEBT NEGOTIATOR BOND**

(DEBT NEGOTIATOR AND EXEMPT REGISTRANT SPONSOR OF MORTGAGE LOAN ORIGINATORS)

**KNOW ALL MEN BY THESE PRESENTS**

That we \_\_\_\_\_  
of \_\_\_\_\_ County of \_\_\_\_\_ State of \_\_\_\_\_  
as Principal, and \_\_\_\_\_  
a surety company, having its principal place of business in \_\_\_\_\_  
County of \_\_\_\_\_ State of \_\_\_\_\_

duly authorized to do business in the State of Connecticut, as Surety, are held and firmly bound unto the Banking Commissioner of the State of Connecticut for the use of the people of the State and the Commissioner, as Obligees, in the penal sum of \_\_\_\_\_ for the payment of which penal sum the said Principal and Surety do jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns, and each and every of them firmly by these presents.

Signed, sealed and delivered this \_\_\_\_\_ day of \_\_\_\_\_ A.D., aaa \_\_\_\_\_.

**THE CONDITION OF THIS OBLIGATION IS SUCH THAT WHEREAS**, the above-named Principal has made application or renewal application to the Commissioner for a license to engage or offer to engage in debt negotiation within the state of Connecticut pursuant to Sections 36a-671 to 36a-671d, inclusive, of the Connecticut General Statutes, as amended by Public Act 11-216, and as may be further amended, and any regulations promulgated thereunder, and the Principal is sponsoring one or more mortgage loan originators licensed by the Commissioner in such capacity, or who have made application or renewal application to the Commissioner for a license to engage in the business of a mortgage loan originator in the state of Connecticut pursuant to the provisions of Sections 36a-485 to 36a-498f, inclusive, 36a-534a and 36a-534b of the Connecticut General Statutes, as amended by Public Act 11-216, and as may be further amended, Section 41 of Public Act 11-216 and any regulations promulgated thereunder;

**NOW, THEREFORE**, if the said Principal and any mortgage loan originator sponsored by said Principal: faithfully perform any and all written agreements or commitments with or for the benefit of debtors and mortgagors, truly and faithfully accounts for all funds received from a debtor or mortgagor, and conducts such business consistent with the provisions of Sections 36a-485 to 36a-498f, inclusive, 36a-534a, 36a-534b and 36a-671 to 36a-671d, inclusive, of the Connecticut General Statutes, as amended by Public Act 11-216, and as may be further amended, then this obligation shall be null and void; otherwise to remain in full force and effect.

The duration of this bond shall be continuous. The Surety shall have the right to cancel the bond at any time by a written notice to the Obligee, stating the date cancellation shall take effect. Such notice shall be sent by certified mail to the Obligee at least thirty (30) days prior to the date of cancellation.

Any debtor or mortgagor who may be damaged by a failure of the Principal or any of its mortgage loan originators to perform any written agreements, by the wrongful conversion of funds paid by a debtor or mortgagor to the Principal or any of its mortgage loan originators, or by conduct inconsistent with the provisions of Sections 36a-485 to 36a-498f, inclusive, 36a-534a, 36a-534b and 36a-671 to 36a-671d, inclusive, of the Connecticut General Statutes, as amended by Public Act 11-216, and as may be further amended, may proceed on such bond against the Principal or Surety, or both, to recover damages, and any mortgagor or prospective mortgagor who may be damaged by a failure of the Principal or any of its mortgage loan originators to satisfy a judgment against the Principal or any of its mortgage loan originators arising from the negotiation of or offer to negotiate a nonprime home loan, as defined in Section 36a-760 of the Connecticut General Statutes, as amended by Public Act 11-216, and as may be further amended, may proceed on such bond against the Principal or Surety, or both, to recover the amount of the judgment, subject to the following conditions:

1. Such person must advise the Surety, in writing, of such failure or conduct within ninety (90) days of the discovery of such occurrence; and
2. No suit or action to recover under this bond will commence after the expiration of one (1) year following the receipt of notice of failure or conduct by the Principal, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

Notwithstanding the above, the Commissioner may proceed on such bond against the Principal or Surety, or both, to collect any civil penalty imposed pursuant to subsection (a) of Section 36a-50 of the Connecticut General Statutes, as may be amended, or to collect any unpaid costs of examination as determined pursuant to Section 36a-65 of the Connecticut General Statutes, as amended by Public Acts 11-48, 11-50 and 11-216, and as may be further amended. The Principal shall notify the Commissioner of the commencement of an action on the Principal's bond, and the Commissioner may require the filing of a new bond. Immediately on recovery on any action on the bond, the Principal shall file a new bond.

Further, in no event shall the aggregate liability under the bond exceed the penal sum for the bond.

**IN WITNESS WHEREOF**, the said \_\_\_\_\_  
(Principal)

has hereunto set his, her, its hand and seal and the said \_\_\_\_\_  
(Surety)

\_\_\_\_\_ has caused this instrument to be signed by its \_\_\_\_\_  
and its corporate seal to be hereunto affixed, the day and year first written.

**Witness as to Principal**

\_\_\_\_\_  
By: \_\_\_\_\_ (L S)  
(Principal)

**Witness as to Surety**

\_\_\_\_\_  
By: \_\_\_\_\_ (L S)  
(Surety)