

State of Illinois Surety Bond Requirements

CONTINUATION CERTIFICATE FOR THE SURETY BOND (Required amount set by 38 Ill. Adm. Code 1050.490)

Section 1050.490 Bonding Requirements

- a) Each licensee shall maintain a bond in conformance with Section 3-1 of the Act in the amount of not less than \$20,000, except that minimum bond amounts shall be determined annually by the Director, according to the scale in subsection (b), upon implementation of the Nationwide Mortgage Licensing System. For the purposes of this Section, the form of the indemnity bond shall be defined as a licensure, surety or any other form of bond that is individually submitted to the Director for consideration as an approved bond.

- b) Each Mortgage Loan Originator must be covered by a surety bond through employment with a licensed mortgage broker or mortgage banker or registered exempt company. Licensed mortgage brokers and mortgage bankers and exempt company registrants must file a surety bond that provides coverage for each sponsored Mortgage Loan Originator in an amount that reflects the dollar amount of Illinois mortgage loans applied for or originated by its Mortgage Loan Originators during the preceding calendar year. The surety bond amount will be set for each licensed mortgage broker and mortgage banker and registered exempt company and adjusted as necessary annually by the Director in accordance with the following scale, based upon Illinois residential mortgage loans brokered, funded, originated, serviced or purchased, as the case may be, during the preceding calendar year:

Loans	Bond Amount
\$0 - \$5,000,000	\$25,000
\$5,000,001 - \$20,000,000	\$50,000
\$20,000,001 - \$50,000,000	\$75,000
\$50,000,001 - \$100,000,000	\$100,000
Over \$100,000,000	\$150,000

The Director may require licensed mortgage brokers and mortgage bankers and registered exempt companies to file reports of Illinois mortgage loan volumes with the Director or Nationwide Mortgage Licensing System for purposes of determining the annual minimum bond amount.

- c) Each bond required pursuant to Section 3-1 of the Act shall be for a term:
 - 1) concurrent with the term of the license or registration, commencing with licenses or registrations issued by the Department with an expiration date of December 31, 2010; and
 - 2) concurrent with the license or registration for new or renewed bonds thereafter.