



## Ohio Administrative Code Rule 1301:8-7-14 Surety bonds.

Effective: January 4, 2016

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(A) With respect to a bond obtained by a registrant, or by a qualified exempt entity or loan processing or underwriting company in the same manner as a registrant, the following shall apply:

(1) The surety bond required by section 1322.05 of the Revised Code shall be on a form acceptable to the superintendent.

(2) The surety bond must be issued in the name of the registrant, qualified exempt entity, or loan processing or underwriting company and list the main office of the registrant, qualified exempt entity, or loan processing or underwriting company. If a trade or fictitious name is used, the trade or fictitious name shall be included on the bond.

(3) One surety bond in the appropriate aggregate amount shall be required to cover a registrant, qualified exempt entity, or loan processing or underwriting company regardless of the number of registered or exempted office locations. An endorsement rider may be used to increase or decrease the amount of the bond whenever an office location is established or closed.

(4) Whenever the penal sum of the surety bond is reduced below the required amount, the registrant, qualified exempt entity, or loan processing or underwriting company and licensees employed by or associated with them shall immediately cease originating residential mortgage loans until the bond has been restored to the full required value. Failure to restore the bond to the full required value within thirty days of the first date the penal sum of the bond was reduced is grounds for a fine, suspension, refusal to renew or revocation of the registrant's certificate of registration or a qualified exempt entity's or loan processing or underwriting company's approved letter of exemption.

(B) No licensee shall perform the clerical or support duties of a loan processor or underwriter as described in 12 U.S.C. 5102(4)(B), as in effect on January 12, 2014, in this state as an employee of a loan processing or underwriting company or as an independent contractor, unless either the licensee, or the loan processing or underwriting company on the licensee's behalf, has obtained and maintains



in effect at all times a corporate surety bond issued by a bonding company or insurance company authorized to do business in this state.

(C) With respect to an individual bond obtained by a licensee employed by or associated with a qualified exempt entity, by a licensee employed by a loan processing or underwriting company on a licensee's behalf, or by a licensee acting as an independent contractor performing clerical or support duties of a loan processor or underwriter as described in 12 U.S.C. 5102(4)(B), as in effect on January 12, 2014, the following shall apply:

(1) The surety bond required by section 1322.05 of the Revised Code shall be on a form acceptable to the superintendent;

(2) The surety bond must be issued in the name of the licensee and state the home address of the licensee as listed in the licensee's NMLS account.