58A.13 SURETY BOND REQUIRED.

Subdivision 1. **Coverage, form, and rules.** (a) Each mortgage loan originator must be covered by a surety bond meeting the requirements of section 58.08. In the event that the mortgage loan originator is an employee or exclusive agent of a person subject to this chapter, the surety bond of the person subject to this chapter can be used in lieu of the mortgage loan originator's surety bond requirement.

(b) The surety bond shall provide coverage for each mortgage loan originator in an amount as prescribed in subdivision 2.

(c) The surety bond must be in a form as prescribed by the commissioner.

Subd. 2. **Penal sum of surety bond.** The penal sum of the surety bond must be maintained in the amount that reflects the dollar amount of loans originated as determined under section 58.08, subdivision 1a, paragraph (c).

Subd. 3. **Action on bond.** When an action is commenced on a licensee's residential mortgage originator bond, the commissioner may require the filing of a new bond.

Subd. 4. **New bond.** Immediately upon recovery upon any action on the bond, the residential mortgage originator shall file a new bond.

History: *2010 c 347 art 4 s 14; 2020 c 80 art 1 s 12*