

**SURETY BOND
UNDER THE
GOOD FUNDS SETTLEMENT ACT**

Bond Amount \$

Bond No.

THIS SURETY BOND is given by _____,
(Address),
City of _____, County of _____,
and State of _____, as Principal, and _____,
as Surety, a corporation organized under the laws of the State of _____, and
licensed to transact a surety business in the State of _____, to the
North Carolina Office of the Commissioner of Banks (the "Commissioner") under the following terms
and conditions.

Principal and Surety are held and firmly bound unto the Commissioner for the use and benefit of the
State of North Carolina, and any settlement agent with a claim against the Principal, in the sum of _____
dollars (\$ _____),
the payment of which Principal and Surety jointly and severally bind themselves, their successors, assigns,
and their legal representatives, for any liability incurred with respect to disbursement of settlement proceeds
under the Good Funds Settlement Act, Chapter 45A of the North Carolina General Statutes, as amended,
Session Law 2001-420.

WHEREAS, the Principal is currently licensed as a Mortgage Lender with the Commissioner under
Article 19A of Chapter 53 of the North Carolina General Statutes, the Mortgage Lending Act, Session Law
2001-393; and

WHEREAS, the Good Funds Settlement Act provides that a settlement agent may disburse
settlement proceeds in a residential mortgage loan transaction from the agent's trust or escrow account in
reliance on a check deposited to such accounts issued by a Mortgage Lender licensed with the Commissioner
under Article 19A of Chapter 53 of the General Statutes that has posted with the Commissioner, and in a
form satisfactory to the Commissioner, a surety bond of at least \$300,000.

NOW, THEREFORE, the condition of the foregoing obligation is such that:

1. If the Principal, as primary obligor, will faithfully conform to, abide by, and honestly and faithfully perform all the obligations under the Good Funds Settlement Act and shall pay and satisfy any claim due a settlement agent by reason of Principal's violation of the Good Funds Settlement Act, then this obligation will be void; otherwise the same will remain in full force and effect.

2. The Surety may terminate its obligation under this surety bond by giving the Commissioner ninety (90) days written notice. Provided, however, such notice shall not affect any liability arising prior to the effective cancellation of this surety bond.

3. In no event shall the aggregate liability of the Surety for any and all claims to one or more claimants hereunder exceed the penal sum of the surety bond.

4. This bond shall become effective _____, 20____, and shall continue in full force and effect until such time as the same is canceled as provided herein or as otherwise provided by law.

IN WITNESS WHEREOF, the Principal and Surety hereto have executed this surety bond this _____ day _____, 20____.

Principal

Attest: _____

By: _____

Signature

Title: _____

Title: _____

Surety

Attest: _____

By: _____

Signature

Title: _____

Title: _____

Persons executing for the Surety, other than corporate officers, must attach a Power of Attorney authorizing them to execute a surety bond.

Mailing Address of the Surety:

Tel. No. ()

Mailing Address of the Commissioner of Banks:

Office of the Commissioner of Banks
4309 Mail Service Center
Raleigh, NC 27699-4309
919-733-3016

NAME, ADDRESS AND TELEPHONE NUMBER OF SURETY CONTACT
IN THE EVENT A CLAIM MUST BE FILED.

Name:

Tel. No:

Title:

Fax. No:

Address:

E-Mail:

(City, State and Zip Code)