

# Mississippi Department of Banking and Consumer Finance

## Electronic Surety Bond Conversion Plan

### Who is required to convert their surety bond to NMLS?

Electronic surety bonds (ESB) for the license/registration types will be available in NMLS starting **September 16, 2024**. Companies holding any of these licenses or registration types are required to convert their existing surety bond to NMLS ([see Order](#)) via the submission of an **ESB by November 1, 2024**.

- Consumer Loan Broker
- Small Loan
- Debt Management
- Money Transmitter

### Has the agency surety bond form changed?

The surety bond form has changed to accommodate the functionality in NMLS. Some of the changes include, but are not limited to:

- The NMLS ID number is now listed.
- The surety's [NAIC](#) number is now listed.
- Bond amount should cover initial bond requirement in addition to all branches.
- Notarization is not required.
- Hard copies should no longer be mailed to the Department.
- A cancellation clause has been added.
- Bonds are perpetual.
- Notification of any bond changes should go through NMLS.

### What should licensees do first?

Current licensees must first grant authority to their surety bond producer in NMLS. Licensees must then contact their surety bond producer to prepare their [electronic surety bonds](#).

### How should the bond be prepared?

The bond number on the electronic surety bond must exactly match the number that appears on the original bond form that was submitted in hard copy to the Department. The amount of the electronic surety bond must represent the current bond obligation inclusive of all riders since the bond's original issue date.

### How do licensees finalize their electronic surety bond in NMLS?

After the surety bond producer has prepared the bond in NMLS, an MU2 Direct Owner/Executive Officer must attest to and submit the bond. The surety bond will then be managed entirely through NMLS.

## **What resources are available to help with this conversion?**

### **Electronic Surety Bond Training**

NMLS offers an [Electronic Surety Bond \(ESB\) Course](#) available on the [NMLS Resource Center](#) for all ESB-related information and to assist in the process of converting and creating new bonds in NMLS. This e-learning tool aggregates and consolidates all the different resources and information available on the NMLS Resource Center and CSBS Learning Management System. The ESB Course contains recorded webinars, documentation, workflows, and other valuable resources for surety companies, surety bond producers, and NMLS licensees.

### **Electronic Surety Bond Guides**

Visit the [Quick Guides – Company](#) section of the [NMLS Resource Center](#) for more information about the Electronic Surety Bond process.