

MEMO

To: All Entities with Surety Bonds on File with the Tennessee
Department of Financial Institutions

From: David Axford/Chief Administrator for Licensing
Tennessee Department of Financial Institutions

Date: May 31, 2019

Subject: Electronic Surety Bond Tracking in NMLS

The Tennessee Department of Financial Institutions is pleased to announce that, starting June 1, 2019, Electronic Surety Bond (ESB) tracking will be managed through NMLS for the following license types:

- Flexible Credit Lenders
- Industrial Loan and Thrift Companies
- Money Transmitters
- Mortgage Companies
- Title Pledge Lenders

Management of ESBs through NMLS will allow for the tracking of surety bond requirements and the maintenance of surety bond information validated by authorized surety companies and/or surety bond producers. After June 1, 2019, new company license applications will be required to meet all surety bond requirements by completing the electronic process. Current licensees must convert all existing surety bonds to NMLS via the submission of an ESB by the date listed on the Conversion Plan found on the [State Licensing Requirement page](#) of the [NMLS Resource Center](#). Please thoroughly review the Conversion Plan and take the necessary steps to convert existing surety bonds by the appropriate deadline. Failure to complete the conversion process may affect your company's ability to renew your license for the next year. Refer to the renewal section of the Conversion Plan for more information.

Licensees must first grant authority to their surety bond company/producer in NMLS, and then contact the company/producer to prepare the ESB. If the producer does not have an NMLS account, direct them to the [Surety Bond Producer page](#) of the NMLS Resource Center for information on creating an account. See the [ESB for Licensees](#) page for resources and more information. As noted in the Conversion Plan, there is an ESB Quick Guide on the NMLS Resource Center for your reference.

If you have questions about the ESB adoption plan, please contact David Axford at 615-253-2862, or by email at David.Axford@tn.gov.