

Paid 7/16



June 6, 2016

Leah Hormondo
FIRST HERITAGE FINANCIAL, LLC.
Ste 105
2655 Neshaminy Interplex Dr
Trevose, PA 19053-6947

Dear Leah Hormondo,

CUNA Mutual Group has an opportunity to provide a broader array of surety products to your credit union through our partnership with Moreton & Company. Moreton has identified The Cincinnati Insurance Company as a superior provider of surety products and an excellent fit for our credit union customers.

We will be transitioning your current surety products over to Cincinnati Insurance effective with your upcoming renewal. Included in this packet you'll find everything you need to complete the transition:

- **Instructions** – please review carefully and follow the steps provided to ensure a smooth transition and continuous coverage.
- **Application** – sign, date and return in enclosed envelope (Please note in some cases an application will not be required. If that's the case, one is not included in this packet)
- **New Policy** – sign and send to your obligee (the party requiring surety policy)
- **Frequently Asked Questions** – find answers to your most common questions
- **Cincinnati Insurance - Leading the Strength and Service** – due diligence information on your new surety provider

Once we confirm that your new Cincinnati surety policy is in force, we will mail you and the obligee a cancellation letter for your current CUNA Mutual Group issued surety policy.

Cincinnati Insurance has a dedicated surety group and is rated A+ Superior by A.M. Best. Our partner, Moreton & Company has been in the insurance business for over 100 years and has a team of employees dedicated to supporting credit unions.

Thank you for the opportunity to serve you. CUNA Mutual Group will continue working to provide you with the best solutions to manage your specific credit union risks.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay Isaacson'.

Jay Isaacson
Vice President, Business Protection
CUNA Mutual Group



pennsylvania
DEPARTMENT OF BANKING
AND SECURITIES

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MARKET SQUARE PLAZA | 17 N SECOND STREET, Suite 1300 | HARRISBURG, PA 17101
ph 717.787.3717 fx 717.787.8773 w www.dobs.state.pa.us

Bond No. 0597997

SPONSOR OF MORTGAGE ORIGINATORS BOND

WHEREAS, Department means the Department of Banking and Securities of the Commonwealth of Pennsylvania located at 17 N. 2nd Street, Suite 1300, Harrisburg, Pennsylvania 17101, and

WHEREAS, Principal means First Heritage Financial, LLC,
(Name of Sponsor)

with its principal place of business at 2655 Neshaminty Interplex Dr Ste 105, Trevoose, PA 19053
(Principal's Address)

and phone number of 215-969-2823,
(Principal's Phone Number)

WHEREAS, Surety means The Cincinnati Insurance Company,
(Name of Surety Company)

incorporated under the laws of the State of Ohio,
(State of Surety Company's Incorporation)

with its principal place of business at 6200 S. Gilmore Rd, Fairfield, OH 45014
(Surety's Address)

and phone number of 513-870-2000,
(Surety's Phone Number)

WHEREAS, Surety is licensed to do business in the Commonwealth of Pennsylvania, and is approved by the Secretary of Banking and Securities of the Commonwealth of Pennsylvania ("Secretary") as an acceptable Surety, and

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WHEREAS, reference is made herein to the Mortgage Licensing Act (7 Pa. C.S. §§ 6101-6154), and

WHEREAS, any reference in this bond to any statute or regulation, including, but not limited to, the Mortgage Licensing Act ("Act") and the General Rules of Administrative Practice and Procedure ("GRAPP"), include the statute or regulation in force at the time this bond is executed as well as any subsequent amendments, alterations or replacements of such statute or regulation, and

WHEREAS, Principal has applied to the Department for a license under the provisions of the Act, and

WHEREAS, the granting of the license by the Department to Principal is conditioned upon Principal obtaining a bond in the amount of \$300,000.00, in accordance with the applicable subsection of section 6131 of the Act, and

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS that Principal and Surety, are held and firmly bound unto the Commonwealth of Pennsylvania in the just and full sum of \$300,000.00 to the payment whereof, well and truly to be made, we bind ourselves, and our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents:

1. **Condition of the Obligation.** Principal shall maintain this bond to provide coverage for the actions and omissions of the mortgage originators sponsored by Principal. If Principal shall faithfully:

- a. ensure that its mortgage originators comply with and abide by the provisions of the Act; and
- b. ensure that its mortgage originators comply with and abide by all the rules and regulations of the Department issued in accordance with the Act; and
- c. pay any moneys due to the Commonwealth, the Department, or any person or persons who is injured by the acts or omissions of its mortgage originators related to the mortgage loan business under the provisions of this Act,

then this obligation shall be null and void, otherwise to be and remain in full force and effect.

2. **Effective Date.** The effective date of this bond is set forth below.

3. **Determination of Amount of Bond.** The Department requires that in order to determine the amount of this bond, Principal:

- a. in the first year of licensing, use the anticipated amount of mortgage loans secured by Pennsylvania dwelling or residential real estate that its sponsored mortgage originators will originate, and
- b. in all years other than the first, use the amount of mortgage loans secured by Pennsylvania residential real estate that its sponsored mortgage originators originated as indicated on the Principal's required periodic report filed with the Department.

4. **Duration of Bond.** This bond shall continue in full force and effect indefinitely, subject, however, to cancellation.

5. **Cancellation.** Surety may elect to cancel this bond at any time by filing with the Secretary a thirty (30) day written notice of such cancellation. The bond cancellation shall be effective on the thirtieth (30th) day after the filing of the written notice of cancellation. Surety shall remain liable for all transactions associated with the loaning of money at interest by Principal during the term of this bond until the effective date of the cancellation.

6. **Surety's Liability.** Regardless of the number of years this bond remains in force, the aggregate liability of Surety for any and all claims or judgments to one or more claimants in no event shall exceed the full penal sum.

7. **Default.** Upon the happening of any default of the conditions and obligations assumed under this bond and the declaration of a default by the Secretary, or his designee, the Secretary, or his designee, shall notify the Principal and Surety of such default. Said Surety shall pay the amount claimed within 30 days of the date of notice. If the Surety does not pay the amount claimed within 30 days after the notice of default, Principal and Surety hereby authorize and empower any attorney of record in Pennsylvania or elsewhere to appear for them, or either of them, and after one or more declarations filed to confess judgment against them in favor of the Commonwealth, to its use or the use of its certain attorney or assigns, for an amount up to the penal sum of the bond, together with costs of suit and five per centum, added as attorney fee, and they do further release all errors, and waive the right of exemption, and stay of execution and authorize the levy of their monies.

8. **Events Not Affecting Bond Liability.** This bond shall not be discharged by:

- a. the recovery of any specific amount of charges for examination, damages, costs, judgments, fines or penalties obtained in any specific action. The bond shall be in full force and effect until the full amount of the bond shall have been paid by reason of any number of charges for examination,

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damages, costs, judgments, fines or penalties to which Principal may have become subjected; or

- b. sums due, where the right to which sums did not arise during the license year for which the license found on the application which this bond accompanied was granted.

9. **Remedies.** Nothing herein shall limit the Department from seeking any remedy, in addition to the forfeiture of this bond, which may be authorized or provided under any law.

10. **Disclosure.** Principal and Surety agree that the Department may publish, divulge or otherwise disclose to any person or government entity this bond, the contents of this bond, and any information or material related to this bond. The information which may be disclosed includes, but is not limited to, pleadings, other submissions and orders related to any administrative proceedings, when such publication divulgement or disclosure is related to an administrative, judicial or other legal proceeding concerning this bond.

11. **Headings.** The headings used herein are for descriptive purposes only and have no legal force or effect.

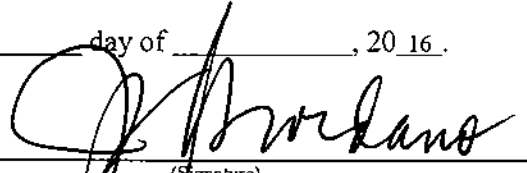
IN WITNESS WHEREOF, Principal and Surety have set their hand, intending to be legally bound as of the 15th day of September, 2016 ("Effective Date").

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PRINCIPAL:

First Heritage Financial, LLC
(Print Principal Name)

Signed this _____ day of _____, 2016.

By: 
(Signature)
Chief Executive Officer
(Title: i.e. Attorney in Fact)

ATTEST OR WITNESS:


(Where Required)

SURETY:

The Cincinnati Insurance Company
(Print Surety Name)

Signed this 17th day of June, 2016.

Approved as to legality and form:
PRE-APPROVED OAG 10/27/14
/Robert A. Mulle/
Office of Attorney General
PRE-APPROVED OGC 9/5/14
/Shawn E. Smith/
Office of General Counsel
Form No. 3-FA-3.1

By: _____
(Signature)
Scott M. Donovan, attorney-in-fact
(Title: i.e. Attorney in Fact)

ATTEST OR WITNESS:

(Where Required)