



Caroline C. Jones
Commissioner

TEXAS

DEPARTMENT OF SAVINGS
AND MORTGAGE LENDING

INFORMATION ABOUT THE RECOVERY FUND PROCESS

The Texas Department of Savings and Mortgage Lending accepts signed, written claims for reimbursement from the Recovery Fund for actual out of pocket damages sustained by borrowers caused by the acts of licensed residential mortgage loan originators that violate specific provisions of Texas Finance Code, Chapter 156, the Residential Mortgage Loan Company and Residential Mortgage Loan Originator Licensing and Registration Act or Chapter 157, the Mortgage Banker Registration and Residential Mortgage Loan Originator Act.

Attached is a claim form. If you wish to file a claim against the Recovery Fund, please complete the entire form and sign the form before a notary public. **PLEASE NOTE THAT THE CLAIM IS A SWORN FORM AND THAT A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT IN CONNECTION WITH APPLYING FOR REIMBURSEMENT FROM THE FUND MAY BE SUBJECT TO CRIMINAL PROSECUTION UNDER TEXAS PENAL CODE SECTION 37.10.**

Upon receipt of the claim, the Department will notify the licensee of the claim and investigate the allegations giving rise to the claim. The Department will make a preliminary determination as to the validity of the claim, giving the claimant and the licensee the opportunity to resolve the matter by agreement or dispute the preliminary finding.

If the matter is not resolved by the parties and the preliminary determination is not disputed by the 31st day after the notification date, the preliminary determination will become final and the Commissioner shall make payment from the Recovery Fund to the claimant. If the preliminary determination is disputed by the claimant or the licensee, the matter shall be set for a hearing before the Administrative Law Judge in accordance with Texas Government Code Chapter 2001.

Claims against the Recovery fund are limited to \$25,000.00 per transaction. In the event there are multiple claimants against a license on the same transaction that exceed the payment limitations, the payments shall be prorated among the claimants based on the amount of damages suffered by each claimant. Following the payment of funds to a claimant from the Recovery Fund, the Commissioner shall be subrogated to all of the rights of the claimant to the extent of the amount paid.

The failure of a claimant to comply with the provisions of Texas Finance Code Chapter 156 / 157 or associated rules pertaining to Recovery Fund claims shall constitute a waiver of any rights there under.



TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING
RECOVERY FUND APPLICATION FORM

(PLEASE TYPE ALL REQUIRED/HIGHLIGHTED FIELDS BEFORE PRINTING)

DEPARTMENT USE ONLY:

Claim Number:

Date Received:

Please mail all correspondence to:

TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING
ATTN: ENFORCEMENT DIVISION
2601 NORTH LAMAR, SUITE 201
AUSTIN, TEXAS 78705
(TEL: 512-475-1350) (FAX: 512-936-2003)
(TOLL FREE: 1-877-276-5550)

RECOVERY FUND APPLICATION

YOUR CONTACT INFORMATION:

NAME		
First:	Last:	
ADDRESS		
Street:		
City:	State:	Zip:
TELEPHONE NUMBERS		
Home:	Work:	
Cell:	Fax:	
EMAIL		
SSN		

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PLEASE PROVIDE THE FOLLOWING INFORMATION CONCERNING THE RESIDENTIAL MORTGAGE LOAN ORIGINATOR AGAINST WHOM YOU ARE FILING THIS APPLICATION:

PERSON'S NAME		
First:	Last:	
COMPANY'S NAME		
Name:		
ADDRESS		
Street:		
City:	State:	Zip:
TELEPHONE NUMBERS		
Home:	Work:	
Cell:	Fax:	
EMAIL		
NMLS ID/REGISTRATION NUMBER (If Known)		

DATE(S) OF TRANSACTION:

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DO YOU HAVE AN ATTORNEY REPRESENTING YOU IN THIS MATTER? Yes No

IF YES, PLEASE PROVIDE THE FOLLOWING INFORMATION:

ATTORNEY'S NAME		
First:	Last:	
ATTORNEY'S ADDRESS		
Street:		
City:	State:	Zip:
TELEPHONE NUMBERS		
Home:	Work:	
Cell:	Fax:	
EMAIL		

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PLEASE LIST THE NAMES, ADDRESSES, AND TELEPHONE NUMBERS OF ANY WITNESSES WHO HAVE OR MAY HAVE INFORMATION CONCERNING THE SUBJECT MATTER OF YOUR APPLICATION:

CLAIM DETAIL: List the facts of your claim in the order of their occurrence, starting with the earliest date and working forward. Attach additional sheets as needed.

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PLEASE ITEMIZE THE AMOUNTS FOR WHICH YOU ARE SEEKING RECOVERY:

**HAVE YOU PREVIOUSLY NOTIFIED THE PERSON OR COMPANY AGAINST WHOM YOU ARE
FILING THIS APPLICATION? Yes No**

HOW DID YOU NOTIFY THEM? Written Oral

WHAT WAS THE RESPONSE?

SIGNATURE BLOCK

I hereby state that I am not the spouse, child, parent, grandchild, grandparent or sibling, including by adoption, of the person against whom this application is filed. I further state that I am not sharing living quarters with the person against whom this application is filed, or any current or former employer, employee or associate of the person against whom this application is filed. I further affirm that I have not aided, abetted or participated, other than as a victim, with the person against whom this application is filed in any activity that is illegal under Texas Finance Code Sections 156.303(a)(2), (3), (5), (6), (8), (9), (10), (11), (12), (13) or (16) or under Section 156.304. I further state that I am not seeking recovery or compensation as a licensed residential mortgage loan originator in the transaction or transactions for which this application is made.

The information contained herein and all enclosed documents are true and correct to the best of my knowledge. I understand that I may be required to testify at a hearing and that a copy of my application will be made available to the person or company against whom it is filed.

I understand that any false statement made herein may subject me to criminal prosecution under Texas Penal Code Section 37.10.

Signature of Applicant

Date

Signature of Applicant

Date

STATE OF TEXAS §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____ and _____, known to me to be the person(s) whose name(s) is(are) subscribed to the foregoing document, and, being by me first duly sworn, declared under oath that the statements contained in the above and foregoing Recovery Fund Application are true and correct.

Notary Public, State of Texas