



Recovery Fund Claim Application Form (Unlicensed Activity)

Information:

The Department of Savings and Mortgage Lending (Department) commissioner (Commissioner) administers a mortgage grant fund (Mortgage Grant Fund) that, among other things, allows for claims to be made against the fund to recover out-of-pocket monetary damages (money losses) incurred because of fraud committed by an individual who acted in the capacity of a residential mortgage loan originator (originator) and was required to be licensed by the Department as an originator, but did not hold such license (unlicensed originator).

The Mortgage Grant Fund recovery claims process is governed by Texas Finance Code Section 156.555, available online at statutes.capitol.texas.gov, and the Department's administrative rules contained in 7 Texas Administrative Code Chapter 52, Subchapter F, available online at sos.state.tx.us/tac/index.shtml.

A consumer seeking to make a recovery claim against the Mortgage Grant Fund (claimant) must do so using the most recent version of this form prescribed by the Commissioner and posted on the Department's website (sml.texas.gov). In order to make a recovery claim, the application contained in this form must be completed in its entirety and signed and sworn to before a notary, and this form must be submitted to the Department by the method described below.

The Commissioner also administers another fund, known as the recovery fund (Recovery Fund), against which claims may be made to recover out-of-pocket monetary damages (money losses) incurred because of acts committed by an originator licensed by the Department (licensee) that constitute a violation of applicable law governing licensed originators. A consumer seeking to make a claim against the Recovery Fund concerning conduct by a licensee must use the form prescribed by the Commissioner for this purpose and posted on the Department's website (sml.texas.gov).

The Department encourages a consumer who feels they may have been harmed by the actions of an unlicensed originator to make good faith efforts to resolve the matter with the unlicensed originator or the company or business for which the unlicensed originator worked, prior to making a recovery claim against the Mortgage Grant Fund.

BY COMPLETING AND SUBMITTING THE RECOVERY FUND CLAIM APPLICATION CONTAINED IN THIS FORM, YOU ARE DECLARING THAT THE INFORMATION IS TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE, AND SWEARING TO THE APPLICATION'S CONTENTS. PURSUANT TO TEXAS FINANCE CODE SECTION 156.504(a): "[A] PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT IN CONNECTION WITH APPLYING FOR MONEY OUT OF THE [MORTGAGE GRANT] FUND MAY BE SUBJECT TO CRIMINAL PROSECUTION UNDER SECTION 37.10, [TEXAS] PENAL CODE."

Upon receipt of the fully-completed and properly-executed Recovery Fund Claim Application, the Department will notify the unlicensed originator of the claim and investigate the allegations on which the claim is based. When investigation of the claim is complete, the Department will issue

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a written preliminary determination on the claim known as the Preliminary Determination Letter. Upon issuance of the Preliminary Determination Letter, the relevant parties involved have 31 days to either resolve the matter by agreement, or to dispute the determination made in the Preliminary Determination Letter; otherwise, the determination made in the Preliminary Determination Letter will be final.

If the Preliminary Determination Letter is disputed, the matter will be referred for an adjudicative hearing before an Administrative Law Judge (ALJ) at the State Office of Administrative Hearings (SOAH) in Austin, Texas in accordance with Texas Government Code Chapter 2001.

Claims against the Mortgage Grant Fund are generally limited to \$25,000 per transaction, and \$50,000 per unlicensed originator. In the event there are multiple claims concerning the same transaction or unlicensed originator that exceed the applicable payment limitations, payments from the Mortgage Grant Fund will be prorated among the claimants based on the amount of damages incurred by each claimant.

Failure by a claimant to comply with the statutory requirements for making a claim on the Mortgage Grant Fund or the Department's rules adopted thereunder operates as waiver of any right the claimant may have to recover from the Mortgage Grant Fund.

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FOR DEPARTMENT USE ONLY:	
Claim Number:	Date Received:

SUBMIT THE ENTIRE RECOVERY FUND CLAIM FORM (INCLUDING THIS FULLY-COMPLETED AND PROPERLY-EXECUTED APPLICATION) BY ONE OF THE FOLLOWING METHODS:

By Email:	By Mail:
<p>complaintsubmission@sml.texas.gov</p> <p><i>If submitting by email, a quality, scanned copy of the fully-executed application must be provided. The claimant must maintain the original signed and notarized application throughout the claims process and must provide it to the Department upon request.</i></p>	<p>Department of Savings and Mortgage Lending Attn: Enforcement Division 2601 N. Lamar Blvd., Suite 201 Austin, Texas 78705</p>

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PLEASE PROVIDE YOUR CONTACT INFORMATION:

Name		
First:	Last:	
Address		
Street:		
City:	State:	Zip:
Phone Numbers		
Home:	Work:	
Cell:	Fax:	
Email		
Social Security Number or Taxpayer Identification Number (required to receive funds)		

PLEASE PROVIDE THE FOLLOWING INFORMATION CONCERNING THE UNLICENSED ORIGINATOR AGAINST WHOM YOU SEEK TO MAKE A CLAIM:

Unlicensed Originator's Name		
First:	Last:	
Company Name		
Work Address		
Street:		
City:	State:	Zip:
Phone Numbers		
Home:	Work:	
Cell:	Fax:	
Email		
NMLS ID Number (if applicable)		

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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:	
Law Firm's Name		
Work Address		
Street:		
City:	State:	Zip:
Phone Numbers		
Home:	Work:	
Cell:	Fax:	
Email		

ITEMIZE THE AMOUNTS YOU SEEK TO RECOVER:

Amount	Description

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LIST THE NAME AND CONTACT INFORMATION OF ANY WITNESSES OR INTERESTED PARTIES WHO MAY HAVE RELEVANT INFORMATION OR DOCUMENTATION CONCERNING THE SUBJECT MATTER OF YOUR CLAIM, AND DESCRIBE HIS OR HER RELATIONSHIP TO THE TRANSACTION ON WHICH YOUR CLAIM IS BASED:

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FACTUAL INFORMATION: State 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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EXECUTE THE FOLLOWING BEFORE A NOTARY:

EXECUTION BY APPLICANTS/CLAIMANTS

I hereby state that I am not the spouse, child, parent, grandchild, grandparent or sibling 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 Section 157.024(a)(3). I further state that I am not seeking to recover, as a licensed residential mortgage loan originator, any compensation 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 against whom it is filed.

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

Signature of Applicant/Claimant

Date

Signature of Co-Applicant (if applicable)

Date

STATE OF TEXAS

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COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____
and _____ (if applicable), known to me to be the person(s) whose name(s)
is/are subscribed to the foregoing Recovery Fund Claim Application (Unlicensed Activity), and being by
me first duly sworn, declared under oath that the information contained in the foregoing Recovery Fund
Claim Application (Unlicensed Activity) are within their personal knowledge and are true and correct.

Notary Public, State of Texas

Date