Comergence Compliance Monitoring Provides Mortgage Lending Third Party Originator (TPO) Fidelity Bond, Errors and Omissions Policy through Insurance Subsidiary

ORANGE, Calif., Oct. 15 (SEND2PRESS NEWSWIRE) — Comergence Insurance Services, a wholly owned subsidiary of third-party originator (TPO) risk management solutions provider Comergence Compliance Monitoring, announced it now offers fidelity and professional indemnity insurance to TPOs — the first of its kind within the industry.

"Until now, this type of insurance was only available to large mortgage bankers so this really levels the playing field even more for the small independent mortgage originator," said Greg Schroeder, president of Comergence. "Additionally, some states already require mortgage brokers to carry Errors and Omissions insurance. Our policy also satisfies those requirements while providing the broker additional protections."

The Comergence Mortgage Broker Fidelity Bond provides protection in the event of acts of fraud or theft by employees intended for personal gain, or to cause harm or loss to the insured mortgage broker. Coverage is also extended to cover acts of attorneys or loan closing agents that perform services in connection to a real estate loan.

Acts covered by the mortgage broker fidelity bond include:
— Forgery;
— Fraudulent mortgages, including procurement of a mortgage investors money or collateral; and
— Computer crime.

The Comergence Mortgage Errors and Omission Policy covers actions that would fall under the legal definition of negligence. Examples include:
— Failure to obtain or maintain required property insurance, including flood coverage;
— Improper flood zone determination;
— Failure to secure FHA/VA/PMI guarantees;
— Failure to obtain or maintain life or disability insurance on the mortgagor; and
— Failure to pay real estate taxes or special assessments.

"Comergence has always sought to be a champion of best practices for the wholesale mortgage lending industry. Before we created this coverage, we met with many lenders to build a product that would provide a greater level of protection for both parties and eliminate the time and expense of obtaining audited financials," Schroeder explained.

"Mortgage brokers facilitate the largest financial transaction most consumers will ever undertake, and even a single buyback request from a lender could easily sink a brokerage firm," he added. "It only makes sense that brokers should protect themselves against employee and borrower dishonesty and fraud because, as the past has shown, it only takes a one bad apple to bring down an entire organization."

About Comergence:
Comergence Compliance Monitoring, headquartered in Orange, California, is the mortgage industry's premier end-to-end solution for TPO management and compliance monitoring, providing a comprehensive alternative or supplement to a lender's in-house management and monitoring resources. Using a variety of best-practice processes, its proprietary Realm monitoring technology and hands-on service protocols, Comergence provides lenders unparalleled simplicity, security and quality.

For more information about Comergence Compliance Monitoring, visit www.comergencecompliance.com.

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