

~~(III)~~ The on-site review shall include a review of the title insurance producer's or agency's policy blank inventory and processing operations.

~~[(ii)](IV)~~ (III) If the title insurance producer or agency does not maintain separate bank or trust accounts for each title insurer it represents, the title insurer shall verify that the funds held on its behalf are reasonably ascertainable from the books of account and records of the title insurance producer or agency.

(2) A written report setting forth the results of the on-site review shall be prepared by the title insurer and is subject to ~~financial~~ examination under § 2-205 of this article.

(3) If, as a result of the examination, a title insurer has reasonable cause to believe that a title insurance producer or agency has [failed to remit premiums or funds owed or that any other violation of this article has been committed] ENGAGED IN ANY OF THE PROHIBITED ACTIVITIES SET FORTH IN § 10-126 OF THIS SUBTITLE, the title insurer shall report in writing the suspected violation to the Commissioner and submit a copy of the examination.

(4) The examination required under this section is in addition to any examination conducted by the Commissioner to determine compliance with the accounts maintained for the benefit of the Maryland Affordable Housing Trust under § 22-103 of this article.

(5) THE TITLE INSURER IS NOT REQUIRED TO PERFORM THE ON-SITE REVIEW OF A TITLE INSURANCE PRODUCER FOR THE CALENDAR YEAR:

~~(i)~~ DURING WHICH THE TITLE INSURANCE PRODUCER IS INITIALLY APPOINTED IF THE APPOINTMENT IS MADE ON OR AFTER JUNE 30 OF THAT CALENDAR YEAR; OR

~~(ii)~~ DURING WHICH THE APPOINTMENT OF THE TITLE INSURANCE PRODUCER IS TERMINATED IF THE TERMINATION OCCURS ON OR BEFORE JUNE 30 OF THAT CALENDAR YEAR.

(K) (1) A TITLE INSURANCE PRODUCER SHALL NOTIFY ANY TITLE INSURER WITH WHOM THE TITLE INSURANCE PRODUCER HOLDS AN APPOINTMENT WHENEVER A PERSON LICENSED UNDER THIS SUBTITLE BECOMES EMPLOYED BY, OR ASSOCIATED WITH, THE TITLE INSURANCE PRODUCER.

(2) THE BONDING REQUIREMENTS OF THIS SUBTITLE RELATING TO TITLE INSURANCE PRODUCERS DO NOT APPLY TO AN EMPLOYEE OR OFFICER OF AN AUTHORIZED TITLE INSURER.

~~[(k)]~~(L) (1) A title insurance producer shall notify the Commissioner, and any insurer with whom the title insurance producer holds an appointment, if an individual licensed under this subtitle leaves the employment of or ends an association with the title insurance producer.

(2) The title insurance producer required to provide notice under this subsection shall notify the Commissioner within 5 working days after the day the individual leaves employment or ends the association.