

(v) that the buyer's title insurance will be subject only to the contingencies and conditions contained in the binder, title report, and policy;

(vi) of the buyer's right to review a sample of the form of policy in which the contingencies and conditions will be inserted; and

(vii) that contains a clear statement of the contingencies that must be satisfied to make the buyer's policy effective, if the buyer's policy is not effective on payment of the premium.

(b) Before disbursing any funds, the person required to give notice under subsection (a) of this section shall obtain from the buyer, at the time the person delivers the notice, a statement in writing that the buyer has received the notice described in subsection (a) of this section and that the buyer wants or does not want owner's title insurance.

(c) (1) The person required to give notice under subsection (a) of this section[:

(i)] shall retain the original signed statement of receipt required by subsection (b) of this section and a copy of the notice required by subsection (a) of this section [until the title insurance policy is issued; and

(ii) after the title insurance policy is issued, shall forward the statement of receipt and copy of the notice to the title insurer.

(2) The title insurer shall retain the statement of receipt and notice] for 3 years.

[(3)](2) The statement of receipt and notice shall be available for inspection by the Commissioner on request.

~~(D) THIS SECTION DOES NOT APPLY TO A REAL ESTATE TRANSACTIONS SECURING COMMERCIAL LOANS AS DESCRIBED IN § 12-103(E) OF THE COMMERCIAL LAW ARTICLE TRANSACTION INVOLVING A MORTGAGE OR DEED OF TRUST SECURING AN EXTENSION OF CREDIT MADE:~~

~~(1) SOLELY TO ACQUIRE AN INTEREST IN OR TO CARRY ON A BUSINESS OR COMMERCIAL ENTERPRISE; OR~~

~~(2) TO ANY BUSINESS OR COMMERCIAL ORGANIZATION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2006.

Enacted May 26, 2006.