

THIS SECTION DOES NOT APPLY TO A TITLE INSURER THAT IS AN AUTHORIZED INSURER UNDER THIS ARTICLE.

(B) CONVERSION OR MISAPPROPRIATION OF MONEY.

A TITLE INSURANCE AGENT MAY NOT CONVERT OR MISAPPROPRIATE MONEY RECEIVED OR HELD IN ESCROW OR TRUST WHILE:

- (1) ACTING AS A TITLE INSURANCE AGENT; OR
- (2) PROVIDING ANY ESCROW, CLOSING, OR SETTLEMENT SERVICES.

(C) BOND OR LETTER OF CREDIT — REQUIRED.

(1) IN ADDITION TO MEETING THE OTHER REQUIREMENTS FOR A CERTIFICATE OF QUALIFICATION TO ACT AS AN AGENT UNDER THIS SUBTITLE, A TITLE INSURANCE AGENT THAT HAS AN APPOINTMENT FROM A TITLE INSURER SHALL FILE WITH THE COMMISSIONER:

- (I) A FIDELITY BOND;
- (II) A SURETY BOND; OR
- (III) A LETTER OF CREDIT.

(2) UNLESS THE COMMISSIONER APPROVES A LESSER AMOUNT, THE BOND OR LETTER OF CREDIT SHALL BE FOR \$100,000.

(3) THE COMMISSIONER SHALL ADOPT REGULATIONS THAT SPECIFY WHEN IT IS APPROPRIATE FOR A BOND OR LETTER OF CREDIT TO BE LESS THAN \$100,000.

(4) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, THE COMMISSIONER MAY WAIVE THE REQUIREMENT FOR A BOND OR LETTER OF CREDIT IF THE COMMISSIONER FINDS THAT BONDS ARE NOT GENERALLY AVAILABLE OR REASONABLY AFFORDABLE.

(5) THE COMMISSIONER SHALL MAKE A SPECIFIC FINDING THAT STATES THE REASON FOR ACCEPTING A BOND OR LETTER OF CREDIT FOR LESS THAN \$100,000.

(D) SAME — PERSONS BENEFITED; LIABILITY.

(1) THE BOND OR LETTER OF CREDIT SHALL BE FOR THE BENEFIT OF ANY PERSON THAT SUFFERS A LOSS IF THE TITLE INSURANCE AGENT CONVERTS OR MISAPPROPRIATES MONEY RECEIVED OR HELD IN ESCROW OR TRUST WHILE:

- (I) ACTING AS A TITLE INSURANCE AGENT; OR
- (II) PROVIDING ANY ESCROW, CLOSING, OR SETTLEMENT SERVICES.

(2) THE TOTAL LIABILITY OF THE SURETY INSURER UNDER THE BOND OR LETTER OF CREDIT MAY NOT EXCEED \$100,000.