

486-1.

(a) Whenever in connection with any real estate transaction involving a purchase money mortgage or mortgages on land situated and lying in this State any title [insurance company] INSURER shall accept a premium for a policy insuring the title to [such] THE property or [such] THE title [insurance company] INSURER, its agent, OR employee [or approved attorney] shall accept a premium for mortgagee title insurance, the person first accepting [such] THE premium shall insert the names of every insured in the binder for the title insurance, or the title report and shall notify the buyer [,] OR his agent or attorney (1) of the name or names of the insureds under each [such] policy, (2) of the face amount of each [such] policy, (3) of his right and opportunity to obtain simultaneous title insurance in his own favor, (4) of the additional premium that will be required for the purchase of the same, (5) that the buyer's title insurance will be subject only to the contingencies and conditions contained in the binder, title report, and policy, (6) his right to review a sample of the form of policy in which [said] THE contingencies and conditions shall be inserted, and (7) if his policy is not effective upon payment of premium, a clear statement of the contingencies which must be satisfied in order to make it effective. Any notice shall be in writing and shall be delivered immediately upon receipt of the title insurance premium.

(b) The person who must give the notice required under subsection (a) of this section, before the disbursement of any funds, shall obtain from the buyer, at the time he delivers the notice, a statement in writing that he has received the notice set forth in subsection (a) of this section and that he either desires or does not desire owners title insurance.

(c) The original signed statement required by subsection (b) of this section, together with a copy of the notice required by subsection (a) of this section shall be retained by the person required to give notice under subsection (a) of this section until issuance of the title policy in question and thereafter shall be forwarded to and retained by the title [insurance company] INSURER for a period of three years. The statement and notice shall be available for inspection by the Commissioner upon request.

(d) [For the purposes of this section the term "approved attorney" means an attorney-at-law who is not an agent of the title insurance company, whose certification as to status of title, a title insurance company is willing to accept as the basis for issuance of its title insurance policy.

(e)] For the purposes of this section the term mortgage shall include deeds of trust.

486-2.

(a) In this section the following words have the meanings indicated.

(1) ["Approved attorney" means an attorney at law who is not an agent of the title insurance company, whose certification as to status of title, a title insurance company is willing to accept as the basis for issuance of its title insurance policy.