(I) A BLANKET FIDELITY BOND COVERING APPROPRIATE EMPLOYEES; AND

(II) 1. A SURETY BOND; OR

2. A LETTER OF CREDIT.

(2) Unless the Commissioner approves a lesser amount, [the] EACH bond or letter of credit shall be for $100,000.

(3) The Commissioner [shall] MAY 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)](F) (1) The SURETY bond or letter of credit shall be for the benefit of any person that suffers a loss if the title insurance agent OR TITLE INSURANCE BROKER converts or misappropriates money received or held in escrow or trust while:

(i) acting as a title insurance agent OR TITLE INSURANCE BROKER; or

(ii) providing any escrow, closing, or settlement services.

(2) THE FIDELITY BOND SHALL BE FOR THE BENEFIT OF THE EMPLOYER OF THE TITLE INSURANCE AGENT OR TITLE INSURANCE BROKER WHO SUFFERS ANY LOSS AS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

[(2)](3) The total liability of the surety insurer under [the] EACH bond or letter of credit may not exceed $100,000.

[(e)](G) The title insurance agent OR TITLE INSURANCE BROKER shall file the bond or letter of credit with the Commissioner:

(1) after the Commissioner notifies the title insurance agent OR TITLE INSURANCE BROKER of the approval of the application for a certificate of qualification; and

(2) before the Commissioner issues the certificate of qualification.

[(f)] (H) (1) [The] EACH bond or letter of credit shall remain in force until:

(i) the surety insurer is released from liability by the Commissioner; or

(ii) the bond or letter of credit is canceled by the surety insurer.