

TITLE 22. TITLE INSURANCE.

22-101. PREMIUMS FOR TITLE INSURANCE.

PREMIUMS FOR TITLE INSURANCE SHALL BE SET OUT CLEARLY AND SUBJECT TO THE APPROVAL OF THE COMMISSIONER.

REVISOR'S NOTE: This section formerly was Art. 48A, § 486.

Defined terms: "Commissioner" § 1-101

"Premium" § 1-101

"Title insurance" § 1-101

22-102. NOTICE TO BUYER ABOUT TITLE INSURANCE.

(A) IN GENERAL.

WHEN, IN CONNECTION WITH A REAL ESTATE TRANSACTION THAT INVOLVES A PURCHASE MONEY MORTGAGE OR DEED OF TRUST ON LAND IN THE STATE, A TITLE INSURER ACCEPTS A PREMIUM FOR A POLICY THAT INSURES THE TITLE TO THE PROPERTY OR THE TITLE INSURER, ITS AGENT, OR EMPLOYEE ACCEPTS A PREMIUM FOR MORTGAGEE TITLE INSURANCE, THE PERSON FIRST ACCEPTING THE PREMIUM:

(1) SHALL INSERT THE NAME OF EACH INSURED IN THE BINDER FOR THE TITLE INSURANCE OR THE TITLE REPORT; AND

(2) IMMEDIATELY ON RECEIPT OF THE PREMIUM, SHALL DELIVER TO THE BUYER OR AGENT OR ATTORNEY OF THE BUYER WRITTEN NOTICE:

(I) OF THE NAME OF EACH INSURED UNDER THE POLICY;

(II) OF THE FACE AMOUNT OF THE POLICY;

(III) OF THE BUYER'S RIGHT AND OPPORTUNITY TO OBTAIN SIMULTANEOUS TITLE INSURANCE IN THE BUYER'S FAVOR;

(IV) OF THE ADDITIONAL PREMIUM THAT WILL BE REQUIRED FOR PURCHASE OF SIMULTANEOUS TITLE INSURANCE IN THE BUYER'S FAVOR;

(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) STATEMENT OF RECEIPT OF NOTICE.