§522. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1999, c. 145, §1 (NEW).]

1. Disbursement of loan funds. "Disbursement of loan funds" means the delivery of the loan funds by the lender to the settlement agent in one or more of the following forms:

A. Cash; [PL 1999, c. 145, §1 (NEW).]

B. Wired funds or electronic transfer; [PL 1999, c. 145, §1 (NEW).]

C. Certified check; [PL 1999, c. 145, §1 (NEW).]

D. Checks issued by a governmental entity or instrumentality; [PL 1999, c. 145, §1 (NEW).]

E. Cashier's check, teller's check or any transfer of funds by check or otherwise that is finally collected and unconditionally available to the settlement agent; [PL 1999, c. 145, §1 (NEW).]

F. Checks or other drafts drawn by a state-chartered or federally chartered financial institution; [PL 1999, c. 145, §1 (NEW).]

G. Checks or other drafts drawn by a state-chartered or federally chartered credit union; or [PL 1999, c. 145, §1 (NEW).]

H. Checks issued by an insurance company licensed and regulated by the Bureau of Insurance. [PL 1999, c. 145, §1 (NEW).]

[PL 1999, c. 145, §1 (NEW).]

2. Disbursement of settlement proceeds. "Disbursement of settlement proceeds" means the payment or sending of all proceeds of the transaction to the person or account designated to receive the proceeds.

[PL 1999, c. 145, §1 (NEW).]

3. Lender. "Lender" means a person regularly engaged in making loans secured by mortgages on real estate and to whom the debt is initially payable on the face of the loan documents. A person is regularly engaged in making such loans if the person made 5 or more loans subject to this subchapter in the preceding calendar year or has made 5 or more such loans in the then current calendar year.

[PL 1999, c. 145, §1 (NEW).]

4. Loan closing. "Loan closing" means that time agreed upon by the borrower and lender when the execution of the loan documents by the borrower and the receipt of those executed documents by the lender or settlement agent occur.

[PL 1999, c. 145, §1 (NEW).]

5. Loan documents. "Loan documents" means the note evidencing the debt due the lender, the mortgage securing the debt due to the lender and any other documents required by the lender to be executed by the borrower as a part of the transaction and includes any documents that may reasonably be required by the lender as a condition to disbursement of the settlement proceeds.

[PL 1999, c. 145, §1 (NEW).]

6. Loan funds. "Loan funds" means the proceeds of the loan to be disbursed by the lender to others at loan closing.

[PL 1999, c. 145, §1 (NEW).]

7. Settlement. "Settlement" means the time when the settlement agent has received the loan funds, loan documents and other documents and funds to carry out the terms of the contract between the parties and the settlement agent reasonably determines that all conditions for disbursement of the settlement proceeds as required by applicable law or such contracts have been satisfied. "Parties" as used in this subsection means the seller, purchaser, borrower, lender and the settlement agent.

[PL 1999, c. 145, §1 (NEW).]

8. Settlement agent. "Settlement agent" means the person responsible for conducting the settlement and disbursement of the settlement proceeds and includes an individual, corporation, partnership or other entity conducting the settlement and disbursement of loan proceeds. The lender may be the settlement agent.

[PL 1999, c. 145, §1 (NEW).]

SECTION HISTORY

PL 1999, c. 145, §1 (NEW).

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