**CHAPTER 45**

**TITLE INSURANCE CONTRACTS**

**§3201. Contracts subject to general provisions**

All contracts of title insurance delivered or issued for delivery in this State and covering subjects located in this State are subject to the applicable provisions of chapter 27 (the insurance contract) and to other applicable provisions of this Title. [PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW).

**§3202. Closing protection letters**

**1. Title insurer may issue closing or settlement protection.**  A title insurer may issue closing or settlement protection on a form of closing protection letter approved by the superintendent pursuant to section 2412. Only a buyer, borrower or lender that is a party to a transaction in which a title insurance policy will be issued by or on behalf of the title insurer issuing the closing or settlement protection is eligible to receive the benefit of closing or settlement protection. Closing or settlement protection issued pursuant to this subsection must benefit each buyer, borrower and lender that is a party to the transaction for which that closing or settlement protection is issued.

[PL 2013, c. 233, §1 (NEW).]

**2. Indemnity.**  The closing or settlement protection issued pursuant to subsection 1 may indemnify a buyer, borrower or lender against loss because of one of the following acts of a policy-issuing title insurance agent or other settlement service provider under the terms and conditions of the closing protection letter as issued by the title insurer:

A. Theft or misappropriation of settlement funds in connection with a transaction, but only to the extent that the theft relates to the status of the title to an insured interest in land or to the validity, enforceability and priority of the lien of the mortgage on an insured interest in land; and [PL 2013, c. 233, §1 (NEW).]

B. Failure to comply with the written closing instructions when agreed to by the settlement agent or title agent, but only to the extent that the failure to comply with the instructions relates to the status of the title to an insured interest in land or the validity, enforceability and priority of the lien of the mortgage on an insured interest in land. [PL 2013, c. 233, §1 (NEW).]

[PL 2013, c. 233, §1 (NEW).]

**3. Fee.**  The fee charged by a title insurer for closing or settlement protection coverage must be filed with the superintendent pursuant to section 2304‑A. The fee may not be subject to any agreement requiring a division of fees or premiums collected on behalf of the title insurer. A title insurer may charge only one fee for a closing or settlement protection letter for the protection of all parties receiving the benefit of closing or settlement protection in connection with the real property transaction giving rise to the issuance of the closing or settlement protection letter.

[PL 2013, c. 233, §1 (NEW).]

**4. Provision of other protection prohibited.**  Except as provided in this section, a title insurer may not provide any protection that purports to indemnify against improper acts or omissions of a person with regard to settlement or closing services.

[PL 2013, c. 233, §1 (NEW).]

SECTION HISTORY

PL 2013, c. 233, §1 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through January 1, 2025
 . The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.