

Explanation to Consumers of Notice of Availability and Offer of Closing Protection Coverage

Ohio law now requires that, for all closings involving the issuance of title insurance, Closing Protection Coverage must be offered to all parties to the transaction. There is a premium for the explicit coverage provided in the Closing Protection Coverage. The offer of this coverage and its premium are a response by the Ohio legislature to provide consumer protection in the settlement process. The premium is remitted in its entirety to the underwriter/insurer, as it is the underwriter/insurer that provides reimbursement to a covered party in the event of a loss. Please review the Notice of Availability and Offer of Closing Protection Coverage for more information about the coverage and how to obtain it. Also, please feel free to consult with your attorney about this coverage.

**NOTICE OF AVAILABILITY AND OFFER
OF CLOSING PROTECTION COVERAGE**

Seller:
 Buyer:
 Borrower:
 Lender:

Re: Licensed Agent: **Midland Title Agency of Stark County, Ltd.**
Premises:
Commitment/File No.:

Notice of Availability of Closing Protection Coverage

Pursuant to Ohio Revised Code Section 3953.32, you are hereby notified of the availability of Closing Protection Coverage from First American Title Insurance Company in connection with the above-referenced transaction for the premium stated in the Offer of Closing Protection Coverage outlined below.

Closing or settlement of a real estate and/or mortgage loan transaction can be characterized as having two components. One component pertains to the title to the Premises and the title insurance policy therefore. The other component pertains to the handling of funds and documents. A title insurance policy **does not** cover losses due to the mishandling of funds or documents. However, Closing Protection Coverage, as outlined below, **does** provide such protection.

Description of Coverage: The Closing Protection Coverage indemnifies you against the loss of settlement funds resulting from any of the following acts of the Licensed Agent or anyone acting on behalf of the Licensed Agent, subject to certain conditions and exclusions specified in the Closing Protection Coverage Form:

- (1) Theft, misappropriation, fraud, or any other failure to properly disburse settlement, closing or escrow funds; and
- (2) Failure to comply with any applicable written closing instructions, when agreed to by the Licensed Agent.

You are covered by a Closing Protection Coverage Form only if it is specifically addressed to you. A copy of the Closing Protection Coverage Form is available upon request.

Offer of Closing Protection Coverage

Pursuant to Ohio Revised Code Section 3953.32, you are hereby offered Closing Protection Coverage from First American Title Insurance Company in connection with the above-referenced transaction.

Premium for Coverage: The premium for the Closing Protection Coverage is \$40.00 for Lender; \$55.00 for Seller; \$20.00 for Buyer/Borrower; and \$20.00 for any other applicant for title insurance, and in no case shall the premium be less than \$40.00 for this coverage in any transaction.

Acceptance of Offer/Declination of Offer

I (We), the undersigned, acknowledge receipt of this Notice of Availability of Closing Protection Coverage and Offer of Closing Protection Coverage and

DO accept the said Offer _____
DO NOT accept the said Offer _____

If this Offer is accepted, the undersigned hereby agrees to pay the applicable premium.

Signed: _____ Signed: _____

Date: _____ Date: _____

A lender's closing instructions requiring Closing Protection Coverage is deemed to be its acknowledgement of receipt of the Notice of Availability of Closing Protection Coverage and its acceptance of the Offer of Closing Protection Coverage.