

**Notaries Public vs.  
Title Insurance Producers and Independent Contractors (TIPIC)**

**What the difference?**

**November 4, 2024**

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## SECTION I: SOURCES OF LEGAL AUTHORITY

- **Maryland Constitution, Article 4, § 45:** Notaries Public may be appointed for each county, and the city of Baltimore, in the manner, for the purpose, and with the powers now fixed, or which may hereafter be prescribed by Law.
- **Maryland Annotated Code**, Title 18, Subtitle 1, State Government Article §§ 18-101-18-108.
- **Maryland Annotated Code**, Title 18, Subtitle 2, State Government Article, Maryland Revised Uniform Law on Notarial Acts, §§ 18-201-18-227.
- **Code of Maryland Regulations**, Executive Department, Office of the Secretary of State, 01.02.08.01-17.



## Useful Links to Notary Pages on our Website

Notary Division home page: <https://sos.maryland.gov/Notary/Pages/default.aspx>

Ordering the Notary Handbook: [https://sos.maryland.gov/Notary/Pages/SOS\\_ORDERFORM.aspx](https://sos.maryland.gov/Notary/Pages/SOS_ORDERFORM.aspx)

Notary Law, Maryland Annotated Code, Title 18, Subtitle 1 and 2, State Government Article §§ 18-101-18-227, can be searched here: <https://mgaleg.maryland.gov/mgawebsite/Laws/Statutes>

Notary Regulations: Code of Maryland Regulations, Executive Department, Office of the Secretary of State, 01.02.08.01-17, can be searched here: <https://dsd.maryland.gov/Pages/COMARSearch.aspx>

New Notary Information: <https://sos.maryland.gov/Notary/Pages/NotaryAppInfo.aspx>

Renewing Notary Information: <https://sos.maryland.gov/Notary/Pages/RenewalApplicant.aspx>

Frequently Asked Questions page: <https://sos.maryland.gov/Notary/Pages/FAQ.aspx>



## Preparing to Apply and Processing Time

The screenshot shows the Maryland OneStop website interface for the Notary Commission. At the top left is the Maryland OneStop logo. A dark red banner across the top contains the text "Notary Commission". Below the banner is a navigation bar with a home icon on the left, a search bar in the center with the placeholder text "Search the Notary Public database", and a "Log In" link on the right. The main content area features six blue-topped cards with white bodies, each containing an icon and a title: "Apply for a New Notary Commission" (with a document icon), "Renew Your Notary Commission" (with a clock icon and the text "TIME TO RENEW"), "Update Your Notary Information" (with a laptop and gear icon and the text "UPDATE YOUR PROFILE... Name Change Address Change"), "Check Status of a Submitted Application" (with a magnifying glass over a document icon and the text "What is My Status?"), "Apply for Remote Notary" (with a laptop and document icon and the text "Remote Notary Form"), and "Search the Notary Public database" (with a magnifying glass over a document icon).

## Qualifications

- At least 18 years old.
- Good moral character and integrity.
- Resident of Maryland or employed or have a practice in the State.
  - If living in Maryland: Resident of the senatorial district from which appointed.
  - If reside outside of Maryland: Resident of state that allows Maryland residents working in that state to serve as notary in that state.
- Renew up to 60 days prior or within 30 days after expiration date of notary commission.
- Effective October 1, 2021:
  - Initial applicant: complete a course of study and pass an examination offered by the Secretary of State; or
  - Renewal applicant: complete a course of study.



# Commissioning

## What is Commissioning?

A notary public is an officer of the State of Maryland.

**Notaries must take Oath of Office at Clerk of Circuit Court** in County (Baltimore City) in which authorized, to receive commission **prior to performing notarial acts.**

### **NOTARY MUST TAKE THE OATH EACH TIME A COMMISSION IS ISSUED**

- Clerk of the Circuit Court is based on notary residence
- \$11.00 fee to be sworn in (payable to Clerk of Circuit Court - NOT Secretary of State)
- Notary **MUST** be sworn in **within 30 days** of issue date of the commission.
- Issue date is the same date as the approval email.



## Allowable Fees

- A notary public may demand and receive **up to \$8.00** for the performance of an original notarial act. **This fee is the charge for each signature that a notary notarizes.**
- Additional copies of same document, notary may receive \$4.00 for each signature notarized.
- Notary may not demand and may not receive more than \$2.00 for each photocopy made of a notarial act (if asked to make copies of the documents that were notarized).
- Notary public may demand and receive reimbursement at the prevailing rate for mileage established by the Internal Revenue Service for business travel.
  - IRS mileage rate is \$0.67 per mile effective 1/1/2024. IRS mileage rate is posted on SOS website: <https://sos.maryland.gov/Notary/Pages/default.aspx>.
- Notary public may demand and receive reimbursement for a fee not to exceed \$5.00 for travel if required for the performance of a notarial act.
- Notary public may **NOT** charge more than \$30 for a remote notarial act.

State Government Article, §18-107, Annotated Code of Maryland, and Code of Maryland Regulations 01.02.08.02



## Example of Allowable Fees

A notary public is asked to travel to perform a notarial act on a tangible record. The notary must travel 30 miles for the performance of their duties. When the notary arrives, they must notarize the signatures of two individuals. They may charge the following:

- \$16.00 for notarial acts (2 individuals signed x \$8.00 per signature); plus
- \$5.00 because the notary had to travel; plus
- \$20.10 for mileage (30 miles x \$0.67 per mile effective 1/1/2024 per the IRS).

**Maximum amount that the notary public can demand and receive in this scenario is \$41.10.**

State Government Article, §18-107, Annotated Code of Maryland, and Code of Maryland Regulations 01.02.08.02





## Notary Seals and Journals

- The Office of the Secretary of State **does not** provide notaries with their notary seal or journal. Notaries must purchase their own seal and journal.
- If a notary leaves their employer, **the notary**, not the employer, **keeps their notary seal and journal.**
- A notary's seal must contain:
  - Name of the notary public as it appears on the notary's commission
  - Words "Notary Public"
  - County (or City of Baltimore) for which the notary was appointed
- A notary's Journal must contain a record of every notarial act performed, even if the notary knows the person signing the documents.
- The entry must be made contemporaneously with the performance of each notarial act. The journal must be kept for 10 years from the date of the last act chronicled in the journal.

**NOTE: The content and presentation provided is for informational purposes only, it is not intended to be legal advice.**



## General Powers and Duties

A notary public may perform the following notarial acts:

- Take an acknowledgment of a record;
- Take a verification on oath or affirmation of a statement;
- Witness or attest to a signature;
- Certify or attest a copy of a record or an item that was copied;
- Certify that a tangible copy of an electronic record is an accurate copy of the electronic record; and
- Make or note a protest of a negotiable instrument in accordance with Commercial Law Article, § 3– 505(b), Maryland Annotated Code

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## Notarial Certificates

**Effective October 1, 2020, the law requires that a certificate is completed for each and every notarial act.** If a certificate is not included on the record being notarized, a notarial officer will be required to affix a certificate in a manner addressed below.

A different type of notarial certificate is required for each type of notarial act. Examples of those certificates are included in Part VIII of the Handbook, where each type of notarial act is addressed. You will need to know what is being asked of you by the person requesting the notarial act in order to affix the correct notarial certificate.

**Each notarial act shall be evidenced by a certificate.** The certificate shall be executed contemporaneously with the performance of the notarial act and requires certain information.



# Notaries Who Participate in Real Estate Closings and Settlements

**Maryland Insurance Administration Bulletin 16-34 states,** “Pursuant to § 10-101(l), any person or company that provides escrow, closing, or settlement services that may result in the issuance of title insurance must be licensed by the MIA as a title insurance producer. A notary who merely attends a real estate closing or settlement that is conducted by another person or entity and who merely witnesses signatures in consideration of the statutory fees that a notary is permitted to charge does not, in the view of the MIA, fall within the scope of § 10-101(l) and is not required to secure a title insurance producer’s license in order to perform such services. However, if the notary is the only individual other than the buyer who is present and the notary is presenting documents for signature which may result in the issuance of title insurance, collecting escrow funds, or otherwise performing any duty other than the witnessing of a signature, it is the position of the MIA that the notary is performing escrow, closing or settlement services that fall within the scope of § 10-101(l) and, thus, must be licensed as a title insurance producer to perform those services.”



State Of Maryland  
Office of the Secretary Of State  
Charities and Legal Services Division

Notary Division Contact Info:

Phone (410) 974-5521

Email [DLNOTARY\\_SOS@MARYLAND.GOV](mailto:DLNOTARY_SOS@MARYLAND.GOV)



# TITLE INSURANCE PRODUCER INDEPENDENT CONTRACTOR [TIPIC]

This presentation does not provide legal advice.  
You should discuss specific questions with your  
attorney, trusted financial advisor, or insurance  
producer.



# CONTENT

- Who is a TIPIIC
- Who is a TIP
- Licensing requirements for TIPs and TIPIICs
- Bonding Requirements
- Appointments Required for TIPs and TIPIICs
- TIPIIC Misrepresentation
- TIPIIC/Notary participation in real estate closings or settlements
- Questions/Contact
- References





# WHO IS A TIPIC?

The insurance Article in *Section 10-101 (m)* defines TIPICs.

*Section 10-101 (m)* says:

“Title insurance producer independent contractor” means a person that:

- (1) is licensed to act as a title insurance producer;
- (2) provides escrow, closing, or settlement services that may result in the issuance of a title insurance contract as an independent contractor for, or on behalf of, a licensed and appointed title insurance producer; and
- (3) is not an employee of the licensed and appointed title insurance producer.

# WHO IS A TITLE INSURANCE PRODUCER (TIP) OR TITLE INSURANCE PRODUCER INDEPENDENT CONTRACTOR (TIPIC)?

- A **TIP** is a person (individual or business entity), including an attorney, who solicits, procures, or negotiates title insurance contracts for compensation or who provides escrow, closing, or settlement services that may result in the issuance of a title insurance contract.
- A **TIPIC** is an independent contractor, including an attorney, who provides on behalf of a TIP escrow, closing, or settlement services that may result in the issuance of a title insurance contract. A TIPIC must be a commissioned notary in order to witness documents.

# WHAT IS THE DIFFERENCE BETWEEN TIP/TIPIC AND NOTARY?

- TIP employee and TIPIC must both be licensed to provide settlement services on behalf that may result in the issuance of a title insurance contract.
- TIPs and TIPICs must hold an appointment with the title insurer from which the title insurance is purchased.
- TIPs and TIPICs must be commissioned as notaries to witness documents and to perform other notarial acts.
- A Notary is a civil officer of the State of Maryland who is commissioned to perform notarial acts. In order to solicit, procure, or negotiate title insurance contracts for compensation, or to provide escrow, closing, or settlement services that may result in the issuance of a title insurance contract, a notary **MUST** be licensed as a title insurance producer.

# PRE-LICENSING EDUCATION REQUIREMENT

- Effective October 1, 2024:
  - License applicants who are required to pass the Title Producer examination will no longer be required to complete an approved pre-licensing course or meet employment experience requirements prior to taking the examination.
  - See Maryland Insurance Administration Bulletin 24-19 below for more information:  
<https://insurance.maryland.gov/Insurer/Documents/bulletins/24-19-Repealing-the-Prelicensing-Education-and-Experience-Requirements.pdf>

# LICENSING REQUIREMENT

- Both TIPs and TIPICs must be licensed by the Maryland Insurance Commissioner to conduct business in Maryland.
- In addition to passing the Maryland title producer exam, an individual seeking to obtain a TIP or TIPIC license must:
  - pay the applicable fee of \$54 as required by Ins. Art. § 2-112;
  - complete and submit the NAIC Uniform Application for Individual Producers;
  - Submit a \$150,000 Surety Bond\* or Letter of Credit, both of which must clearly identify:
    - the bonding company name and bond amount;
    - the bond coverage period;
    - the State of Maryland as the obligee;
    - and be duly executed by the principal/producer and bonding company/attorney-in-fact.
- If the applicant is an independent contractor, the Title Insurance Producer Independent Contractors (TIPIC) Affidavit form may be submitted in lieu of the Surety Bond.

# BOND REQUIREMENT

- In addition to being licensed, a TIP agency is required to obtain, file with the Commissioner and maintain a \$150,000 blanket fidelity and surety bond or a letter of credit.
- An individual TIP employed by a TIP agency is required to file documentation showing they are covered by the agency's \$150,000 blanket surety and fidelity bonds. They must file an Association / Responsible Individual Designation form.
- A TIPIC may, in lieu of the surety bond, file a signed TIPIC affidavit that says the applicant will be a TIPIC working under the surety bond coverage of the identified TIP agency.
- It is the joint responsibility of the title insurer, TIP, and TIPIC to verify that the TIP has the appropriate license to conduct business in Maryland and to maintains bonds that cover the actions of the TIP employee and the TIPIC.
- It is a violation of Maryland law for a TIP to use a TIPIC unless the TIP's bonds cover the TIPIC or the TIPIC maintains a separate bond. The TIP is the legal principal of the TIPIC. The TIP is liable for all actions of the TIPIC that occur within the scope of the TIPIC's engagement with the TIP.

# SURETY BOND REQUIREMENT

A TIP agency applicant for a title producer license is required to file with the Commissioner a blanket surety bond or letter of credit that would cover any person who suffers a loss in the event the TIP or its employees/independent contractors converts or misappropriates money received or held in escrow or trust while acting as a TIP.

# FIDELITY BOND REQUIREMENT

In addition to meeting the licensing requirement for a surety bond, a TIP agency applicant for a title producer license must also file with the Commissioner a blanket fidelity bond covering the employer/TIP agency in the event it suffers a loss as the result of a TIP employee and/or TIPIC's conversion or misappropriation of money received or held in escrow or trust.



# APPOINTMENTS REQUIRED

- The TIP employee and TIP agency must be appointed by a title insurer in order to sell, solicit, or negotiate title insurance on behalf of that title insurer.
- TIPICs must also be appointed by the applicable title insurer; a TIP agency may not use the services of a TIPIC unless the TIPIC holds an appointment with the title insurer with whom the contract of title insurance may be placed.
- TIP agencies and TIPICs are jointly responsible for ensuring that TIPICs are appointed with the title insurer with which the contract of title insurance may be placed.
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# TIPIC MISREPRESENTATION

- No person, whether or not a notary, who is not a duly licensed TIPIC may hold themselves out to the public as a TIPIC.
- It is a violation of § 10-129 of the insurance article for a person who is not a duly licensed TIPIC to hold themselves out to the public as being is a TIPIC.

# NOTARY PARTICIPATION IN REAL ESTATE CLOSINGS OR SETTLEMENTS

The Insurance Article in § 10-101(1), requires that any person who or registered business or company that provides escrow, closing or settlement services that may result in the issuance of title insurance must be licensed by the Maryland Insurance Administration as a title insurance producer (TIP).

A notary who merely witnesses signatures at a real estate closing or settlement in consideration of the statutory fees, does not, in the view of the Maryland Insurance Administration, fall within the scope of § 10-101 (1) and is not required to secure a title insurance producer's license in order to witness signatures.




# NOTARY PARTICIPATION IN REAL ESTATE CLOSINGS OR SETTLEMENTS CONT'D

The Maryland Insurance Administration's position regarding closings at which a notary is the only individual (other than the buyer) present, and that person performs duties beyond simply witnessing signatures, then the notary is performing escrow and/or real estate settlement services within the scope of § 10-101 (1) and is required to maintain a title insurance producer license.

# Contact Information

## Maryland Insurance Administration

 800-492-6116 | 410-468-2000 | 800-735-2258 (TTY)

 [insurance.maryland.gov](https://insurance.maryland.gov)  
[enforcement.mia@maryland.gov](mailto:enforcement.mia@maryland.gov)



[MDInsuranceAdmin](https://www.facebook.com/MDInsuranceAdmin)



[en Español: MDInsuranceAdminES](https://www.facebook.com/enEspaolMDInsuranceAdminES)



[Maryland Insurance Administration](https://www.linkedin.com/company/Maryland-Insurance-Administration)



[marylandinsuranceadmin](https://www.instagram.com/marylandinsuranceadmin)



[MD Insurance](https://twitter.com/MD_Insurance)



<https://bit.ly/mdmiayoutube>



# Frequently Used Forms

- **Affidavit of Title Insurance Producer Applicant: Title Insurance Producer Independent Contractor (TIPIC Affidavit)**
  - [insurance.maryland.gov/Producer/Documents/title-tipicaffidavit06-10.pdf](https://insurance.maryland.gov/Producer/Documents/title-tipicaffidavit06-10.pdf)
- **Association/Responsible Individual Designation form**
  - <https://insurance.maryland.gov/Producer/Documents/servrequest/Association-Responsible-individual-designation-form-2019.pdf>
- **Title Surety Bond form**
  - [insurance.maryland.gov/Producer/Documents/titlesuretybondform2010.pdf](https://insurance.maryland.gov/Producer/Documents/titlesuretybondform2010.pdf)

# REFERENCES

1. Maryland Insurance Administration Website:

<https://insurance.maryland.gov/Producer/Pages/titlefaqs.aspx>

2. See below for access to the Annotated Code of Maryland

[https://mgaleg.maryland.gov/2021RS/Statute\\_Web/gin/gin.pdf](https://mgaleg.maryland.gov/2021RS/Statute_Web/gin/gin.pdf)



# QUESTIONS



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