

~~17A.~~

*Any contract of loan made under this article may provide for the payment of attorney's fees not exceeding fifteen (15) per cent of the amount due and payable where the contract of loan is referred to an attorney not a salaried employee of the licensee for collection, plus court costs, provided that this Section shall only apply where such referral occurs no later than six (6) months after the date of maturity of the contract, as originally scheduled or as deferred.*

18.

(a) Licensees may require a borrower to insure tangible personal property {except household goods,} when offered as security for a loan under this article, against any substantial risk [or] of loss, damage or destruction. The amount of such insurance may not exceed [a] the reasonable value of such property. The term of the policy and the conditions thereof shall be reasonable and appropriate considering the particular loan transaction. The licensee may be a coinsured or may be protected by a mortgagee clause to the extent of his interest. [Licensees may require life insurance on the life of the borrower in an amount not to exceed the amount of the contract.]

(b) Licensees may require life and accident and health insurance but only on one obligor, on any one loan contract. The initial amount of such life insurance shall at no time exceed the total amount repayable under the contract of indebtedness; and where an indebtedness is repayable in substantially equal installments, the amount of insurance shall at no time exceed the scheduled actual amount of unpaid indebtedness. Accident and health insurance shall provide benefits not in excess of the aggregate of the periodic scheduled unpaid installments of the loan and the amount of each periodic benefit payment shall not exceed the total amount payable by a borrower to a licensee in accordance with the loan contract, divided by the number of installments, and shall have a waiting period of at least fourteen (14) days. The premium or identifiable charge for such insurance shall not be in excess of that filed by the insurance company with the Insurance Department of Maryland.

(c) Insurance under this article [Such insurance] must be written by companies qualified to do business in this State at rates which do not exceed those filed with the Insurance Department of Maryland, or [fixed pursuant to law, or by] contained in a current applicable manual of a recognized insurance rating bureau, the rates of which have been filed with the Insurance Department of Maryland, unless such rates are fixed pursuant to law. Licensees may assist an applicant or act with the applicant in forwarding [such] applications to a broker or agent and may receive and transmit premiums or identifiable charges on such insurance [on behalf of the borrower. Neither the licensee, nor any officer, or employee of a licensee may receive, either directly or indirectly, any commission or similar compensation in connection with the writing or placing or servicing of such insurance.] Such premiums or identifiable charges may be deducted from the proceeds of any loan or may be included as part of the principal. Any gain or benefit to the licensee, directly or indirectly, from such insurance, or the sale or provision thereof, shall not be deemed additional interest or charges, nor a violation of any section of this article. No licensee shall require the purchasing of such