

*436D. Forms of Credit Life Insurance and Credit Health Insurance.*

*Credit life insurance and credit health insurance shall be issued only in the following forms:*

*(1) Individual policies of life insurance issued to debtors on the term plan.*

*(2) Individual policies of health insurance to insure debtors on a term plan or disability benefit provisions in individual policies of credit life insurance.*

*(3) Group policies of life insurance issued for delivery to creditors providing insurance upon the lives of debtors on the term plan.*

*(4) Group policies of health insurance issued for delivery to creditors on a term plan insuring debtors or disability benefit provisions in group credit life insurance policies to provide such coverage.*

*436E. Amount of Credit Life Insurance and Credit Health Insurance.*

*(a) (1) The initial amount of credit life insurance shall not exceed the total amount repayable under the contract of indebtedness.*

*(2) Notwithstanding any other provisions of this subtitle, insurance on agricultural credit transaction commitments not exceeding one year in duration may be written up to the amount of the loan commitment on a non-decreasing or level term plan.*

*(3) Notwithstanding any other provisions of this subtitle or any other section, insurance on educational credit transaction commitments may be written for the amount of the portion of the commitment that has not been advanced by the creditor.*

*(b) The total amount of periodic indemnity payable by credit health insurance in the event of disability as defined in the policy shall not exceed the aggregate of the periodic scheduled unpaid installments of the indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments.*

*436F. Term of Credit Life Insurance and Credit Health Insurance.*

*The term of any credit life insurance or credit health insurance, subject to acceptance by the insurer, shall commence on the date the debtor becomes obligated to the creditor, except that, if a group policy provides coverage with respect to existing obligations, the insurance on a debtor with respect to the indebtedness shall commence on the effective date of the policy. If evidence of insurability is required and such evidence is furnished more than thirty (30) days after the date the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurance company determines the evidence to be satisfactory, and in such event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance. The term of the insurance shall not extend more than fifteen (15) days beyond the scheduled maturity date of the indebtedness except when extended without additional cost to the debtor. If the indebtedness is discharged because of renewal or refinancing prior to the scheduled maturity date, the insurance in*