

(3) The title of any real property securing the loan.

~~(B) SUBJECT TO THE PROVISIONS OF THIS SECTION, THE LENDER LICENSEE MUST OFFER TO THE BORROWER TO COLLECT PREMIUMS FOR ACCIDENT AND HEALTH INSURANCE COVERING ANY BORROWER OBLIGATED ON THE LOAN. MAY COLLECT FROM THE BORROWER, AT THE BORROWER'S OPTION, THE PREMIUMS PAID FOR ACCIDENT AND HEALTH INSURANCE COVERING ANY ONE BORROWER OBLIGATED ON THE LOAN. THE INSURANCE MAY NOT PROVIDE BENEFITS EXCEEDING THE ACTUAL PERIOD OF DISABILITY. A BORROWER OBTAINING THIS INSURANCE HAS 14 DAYS TO WITHDRAW FROM THE INSURANCE COVERAGE.~~

[(b)] (C) (1) The amount of property insurance may not exceed the reasonable value of the real property insured, and the type of insurance coverage shall bear a reasonable relation to the existing risk of loss.

(2) The amount of life insurance may not exceed the total original amount payable under the loan contract.

(3) THE ACCIDENT AND HEALTH INSURANCE SHALL PROVIDE:

(I) BENEFITS NOT EXCEEDING THE THEN SCHEDULED UNPAID TOTAL OF PAYMENTS OF THE LOAN; AND

(II) A WAITING PERIOD FOR THE COLLECTION OF BENEFITS OF AT LEAST 14 DAYS; AND

~~(III)~~ (III) PERIODIC BENEFITS, THE AMOUNT OF EACH WHICH MAY NOT EXCEED THE ORIGINALLY SCHEDULED TOTAL OF PAYMENTS UNDER THE LOAN CONTRACT, DIVIDED BY THE NUMBER OF INSTALLMENTS.

[(c)] (D) Under this subtitle, insurance may be obtained only:

(1) From an insurance company qualified to do business in the State; and

(2) At rates not exceeding those approved by the insurance division of the department of licensing and regulation.

[(d)] (E) A lender may not require the borrower to purchase any insurance from him.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1983.

Approved May 10, 1983.

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