

(2) If the loan is made to two or more borrowers, delivery of the statement to one borrower is sufficient, but a copy of the statement shall be furnished to each other borrower.

(3) Paragraphs (1)(i), (ii), and (iii) of this subsection do not apply to any loan subject to the disclosure provisions of the federal Truth-in-Lending Act, if the lender complies with the applicable disclosure provisions of the federal act and its regulations.

(4) A statement that complies with the applicable disclosure provisions of the federal Truth-in-Lending Act is sufficient to meet the requirements of this title.

(c) At least annually and, on request of the borrower, at any other reasonable time or interval, a lender who receives scheduled monthly periodic payments on more than five loans secured by an interest in real property shall furnish to the borrower a written statement informing the borrower of the amount of:

- (1) Payments credited to reducing the principal;
- (2) Payments credited to interest as defined in this subtitle; and
- (3) The remaining unpaid principal balance.

(D) AT THE TIME OF APPLICATION FOR A LOAN UNDER THIS TITLE SECURED BY RESIDENTIAL REAL PROPERTY-WHERE-THE-LENDER-REQUIRES PRIVATE-MORTGAGE-INSURANCE-AS--A--CONDITION--FOR--THE--LOAN, THE LENDER SHALL FURNISH TO THE BORROWER A CLEAR AND CONSPICUOUS WRITTEN STATEMENT, IN PRINT NOT SMALLER THAN 10 POINT TYPE, SPECIFYING THAT IF PRIVATE MORTGAGE INSURANCE IS REQUIRED TO BE PURCHASED AS A CONDITION FOR MAKING THE LOAN, IF PRIVATE MORTGAGE INSURANCE IS REQUIRED TO BE PURCHASED AS A CONDITION FOR MAKING THE--LOAN, THE BORROWER MAY BE ELIGIBLE TO REQUEST THAT UNDER APPROPRIATE CIRCUMSTANCES THE PRIVATE MORTGAGE INSURANCE BE CANCELED. THE STATEMENT SHALL BE SIGNED BY THE BORROWER AND A COPY SHALL BE FURNISHED TO THE BORROWER.

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(b) Any person who violates the disclosure provisions of § 12-106(b), [and] (c), AND (D) of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding one year or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1988.

Approved May 27, 1988.