

(2) A VIOLATION OF THIS SECTION DOES NOT AFFECT THE VALIDITY OF THE FIRST MORTGAGE OR FIRST DEED OF TRUST SECURING THE LOAN.

12-312.

(a) Subject to the provisions of this section, a lender may collect from the borrower, at the option of the borrower, the premiums paid for:

(1) Insurance covering any real or personal property pledged as security for the loan;

(2) Accident and health insurance covering any one borrower, if the insurance does not provide for benefits exceeding the actual period of disability;

(3) Credit life insurance:

(i) Covering any one borrower for any loan under \$700 in value or amount; or

(ii) Covering any one or more borrowers for any loan of \$700 or more in value or amount; and

(4) Involuntary unemployment benefit insurance covering any one borrower, if the insurance:

(i) Does not provide for benefits exceeding the actual period of unemployment; and

(ii) Is not contingent upon the purchase of any other type of insurance permitted under this subtitle.

(b) (1) A lender may not require that the insurance be purchased through a particular broker, agent, or insurance company.

(2) The lender may:

(i) Assist an applicant or act with him in forwarding an application to a broker or agent; and

(ii) Receive and transmit premiums or other identifiable charges for the insurance.

(3) SUBJECT TO SUBSECTION (D) OF THIS SECTION, AT [At] the option of the borrower, a lender may be coinsured or protected to the extent of his interest by a mortgagee clause.

(c) (1) [The] (I) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE amount of property insurance may not exceed either