

the reasonable value of the property insured or the originally scheduled total of payments under the loan contract.

(II) The terms and conditions of the property insurance policy shall be filed with and approved by the Insurance Commissioner.

(III) Property insurance may be provided by the lender if the borrower, at the time the loan is made, fails to furnish a loss payable endorsement for the protection of the lender in an amount sufficient to cover the amount of the loan or the value of the property securing the loan, whichever is less.

(IV) If, however, within 30 days of the inception date of the loan, the borrower does provide a loss payable endorsement for the protection of the lender, and no claim has been filed under the coverage purchased, the lender shall cancel the property insurance on the loan and shall refund the entire original property insurance premium to the borrower.

(V) A lender providing property insurance under this section shall give the borrower, at the time the loan is made, a written notice of the borrower's right to provide a loss payable endorsement for the protection of the lender and the borrower's right to a refund of the entire property insurance premium.

(2) Accident and health insurance shall provide for:

(i) Benefits not exceeding the then scheduled unpaid total of payments of the loan;

(ii) A waiting period of at least 14 days; and

(iii) Periodic benefits, the amount of each of which may not exceed the originally scheduled total of payments under the loan contract, divided by the number of installments.

(3) The amount of credit life insurance in force may not exceed the unpaid principal but shall include all accrued interest under the loan contract.

(4) (i) In this paragraph, "involuntary unemployment benefit insurance" means any insurance designed to pay the creditor the monthly payment obligation of the debtor due to the debtor's involuntary loss of employment.

(ii) Involuntary unemployment benefit insurance shall provide that, in the event of involuntary loss of employment, the aggregate amount of periodic benefits payable in the event of involuntary loss of employment, as defined in the policy, may not exceed the then scheduled unpaid total of payments of the loan.