

(d) The offering and placement of insurance under this section shall be subject to the provisions of the Maryland Insurance Code.

(E) (1) IN THIS SUBSECTION, "PROPERTY INSURANCE COVERAGE" MEANS PROPERTY INSURANCE AGAINST LOSSES CAUSED BY PERILS THAT COMMONLY ARE COVERED IN INSURANCE POLICIES DESCRIBED WITH TERMS SIMILAR TO "STANDARD FIRE" OR "STANDARD FIRE WITH EXTENDED COVERAGE".

(2) (I) A CREDIT GRANTOR MAY NOT REQUIRE A BORROWER, UNDER AS A CONDITION TO RECEIVING OR MAINTAINING A LOAN SECURED BY A FIRST LIEN, TO PROVIDE OR PURCHASE PROPERTY INSURANCE COVERAGE AGAINST RISKS TO ANY IMPROVEMENTS ON ANY REAL PROPERTY IN AN AMOUNT EXCEEDING THE REPLACEMENT VALUE OF THE IMPROVEMENTS ON THE REAL PROPERTY.

(II) THE REPLACEMENT VALUE OF THE IMPROVEMENTS ON THE REAL PROPERTY SUBJECT TO THIS SECTION SHALL BE DETERMINED BY THE INSURER SELECTED BY THE BORROWER TO PROVIDE THE PROPERTY INSURANCE COVERAGE. IN DETERMINING THE REPLACEMENT VALUE OF THE IMPROVEMENTS ON ANY REAL PROPERTY, THE LENDER MAY:

1. ACCEPT THE VALUE PLACED ON THE IMPROVEMENTS BY THE INSURER; OR

2. USE THE VALUE PLACED ON THE IMPROVEMENTS THAT IS DETERMINED BY THE LENDER'S APPRAISAL OF THE REAL PROPERTY.

(3) A VIOLATION OF THIS SUBSECTION SHALL ENTITLE THE BORROWER TO:

(I) SEEK AN INJUNCTION TO PROHIBIT THE CREDIT GRANTOR WHO HAS ENGAGED OR IS ENGAGING IN THE VIOLATION FROM CONTINUING OR ENGAGING IN THE VIOLATION;

(II) REASONABLE ATTORNEY'S FEES; AND

(III) DAMAGES DIRECTLY RESULTING FROM THE VIOLATION.

(4) A VIOLATION OF THIS SUBSECTION DOES NOT AFFECT THE VALIDITY OF THE FIRST LIEN SECURING THE LOAN.

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(a) In connection with a loan to a consumer borrower:

(1) The purchase of credit life, credit accident and health, credit disability, involuntary unemployment benefit, and similar insurance coverages is optional with the consumer borrower; and