

(2) The lender must allow the borrower the choice of repaying his existing loan balance at the originally agreed upon rate and obtaining any additional extension of credit as a separate loan, notwithstanding any law which limits the lender's ability to make more than 1 loan to the same borrower;

(3) The lender must refund or credit to the borrower's account any unearned interest and any returned insurance premiums upon the cancellation of insurance sold in connection with the loan;

(4) Except in the case of a demand loan, a loan may be refinanced only upon the borrower's request;

(5) The lender must allow the borrower the right to cancel the consolidated loan agreement within 3 business days. The lender shall provide to the borrower conspicuous notice of the provisions of this subsection; and

(6) Nothing in this subsection shall prohibit the receipt of the loan proceeds by the borrower at the time the consolidated loan agreement is made. The borrower must return any loan proceeds received pursuant to the consolidated loan agreement if he elects to cancel the consolidated loan agreement pursuant to subsection (5). The borrower may retain the loan proceeds if he elects the separate loan option pursuant to subsection (2).

12-117.

With respect to any loan made at a rate pursuant to § 12-103(a) and (c) or § 12-404 of the Commercial Law Article [or § 6-507 of the Financial Institutions Article], the lender must comply with § 14-1302 of this article except that subsection (c) of § 14-1302 is not applicable.

12-118.

A lender may not enter into a loan agreement, providing for an initial interest rate pursuant to § 12-103(a) and (c), § 12-306, or § 12-404 of this title [or Section 6-507 of the Financial Institutions Article], which contains a provision that permits the lender to increase or decrease the applicable rate of interest or finance charges from time to time during the term of the obligation, unless:

(1) The loan is secured by an interest in real property;

(2) Any such provision limits adjustments in the rate on an obligation as follows:

(i) The increase and decrease in the rate is determined by an objective index which is not directly controlled by the lender and which is agreed upon by the parties to the agreement.

(ii) The rate may not be adjusted more frequently than once in a 6 month period.