

THE TYPE OF INSURANCE COVERAGE SHALL BEAR A REASONABLE RELATION TO THE EXISTING RISK OF LOSS.

(2) THE AMOUNT OF LIFE INSURANCE MAY NOT EXCEED THE ORIGINALLY SCHEDULED TOTAL OF PAYMENTS UNDER THE LOAN CONTRACT.

(C) INSURANCE COMPANIES AND RATES.

UNDER THIS SUBTITLE, INSURANCE MAY BE OBTAINED ONLY:

(1) FROM AN INSURANCE COMPANY QUALIFIED TO DO BUSINESS IN THE STATE; AND

(2) AT RATES NOT EXCEEDING THOSE APPROVED BY THE INSURANCE DIVISION OF THE DEPARTMENT OF LICENSING AND REGULATION.

(D) DELIVERY OF COPY OF INSURANCE POLICY.

WITHIN 25 DAYS AFTER A LENDER HAS CHARGED FOR ANY INSURANCE POLICY REQUIRED IN CONNECTION WITH A LOAN, HE SHALL DELIVER A COPY OF IT TO THE BORROWER.

REVISOR'S NOTE: Subsections (a) through (c) of this section presently appear as Art. 11, §196(a)(3). Subsection (d) presently appears as Art. 11, §197(4).

References to "a loan or advance" are deleted as unnecessary in light of the definition of "loan" in §12-301.

In subsection (b) of this section, the present reference to an existing "hazard" is deleted as unnecessary in light of the term "risk of loss."

In subsection (c) of this section, a reference to rates "approved by" the insurance division is substituted for "lawfully and acceptably filed."

In subsection (d) of this section, the word "purchased" is deleted as unnecessary.

With respect to the use of the term "lender" in substitution for "licensee," see revisor's note to §12-301(c).

The only other changes are in style.

42-313. ~~PROHIBITED~~ CHARGES AND TRANSACTIONS; WHEN CONTRACT VOID.