

§2855. Amounts of insurance**1. Credit life insurance.**

A. The amount of credit life insurance shall at no time exceed the unpaid amount financed plus earned interest and an allowance for delinquencies as determined by the superintendent or, in the case of open-end credit, the balance upon which a finance charge may be imposed, plus earned interest and an allowance for delinquencies as determined by the superintendent. [PL 1977, c. 672, §2 (RPR).]

[PL 1977, c. 672, §2 (RPR).]

2. Agricultural credit commitments. Notwithstanding subsection 1, paragraph A, insurance on agricultural credit transaction commitments not exceeding 2 years in duration may be written up to the amount of the loan commitment, on a nondecreasing or level term plan.

[PL 1969, c. 132, §1 (NEW).]

3. Educational credit commitments. Notwithstanding subsection 1, paragraph A, insurance on educational credit transaction commitments may be written for the amount of the portion of such commitment that has not been advanced by the creditor.

[PL 1969, c. 132, §1 (NEW).]

4. Credit health insurance.

A. Coverage limited. The total amount of indemnity payable by credit health insurance in the event of disability, as defined in the policy, shall not exceed the aggregate of the periodic scheduled unpaid installments of the indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments. [PL 1969, c. 132, §1 (NEW).]

[PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1969, c. 177, §55 (AMD). PL 1977, c. 672, §2 (AMD).

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