**§ 357. Insurance.** 1. The licensee may require a borrower, on loans of two hundred and fifty dollars or more, excluding insurance premiums and precomputed interest, to insure tangible personal property, except household goods, taken as security for a loan against any substantial risk of loss, damage or destruction for an amount not to exceed the lesser of the reasonable value of the property insured or the principal amount of the loan, and for the customary insurance term approximating the term of the loan contract. The policy may insure the interest of the borrower as well as the interest of the licensee. A policy covering a motor vehicle securing the loan may also insure the borrower against liability for bodily injury and property damage, but such liability insurance shall be at the option of the borrower and shall not be required by the licensee. The premiums for all such insurance shall not exceed the premiums chargeable in accordance with rate filings made with the superintendent of financial services for such insurance by the insurer. Such insurance shall be written by, or through, a duly licensed insurance agent or broker, or shall be provided directly by a company qualified to do business in this state.

2. For purposes of this section, the term "household goods" shall mean clothing, furniture, appliances, one radio and one television, linens, china, crockery, kitchenware, and personal effects (including wedding rings) owned by the consumer and his or her dependents, but shall not include works of art, other electronic entertainment equipment, items acquired as antiques, and other jewelry.

3. When a licensee provides credit life insurance, credit accident and health insurance, or credit unemployment insurance, or credit property insurance pursuant to section two thousand three hundred forty of the insurance law, or any combination thereof with respect to one or more borrowers, such licensee may collect from the borrower a premium or identifiable charge which shall not exceed the premium rates or identifiable charges chargeable in accordance with rate filings made with the superintendent of financial services for such insurance by the insurer, subject to a refund of the insurance charge computed as provided in paragraph (a) of subdivision five of section three hundred fifty-one of this article, in the event of prepayment by cash, a new

loan, refinancing or otherwise. Only one such amount may be collected in connection with any loan contract irrespective of the number of obligors and only one obligor need be insured.

4. The insurance authorized by this section, with the exception of insurance provided under group insurance policies, may be written by or arranged through the licensee or an affiliate, associate or employee of the licensee only if such licensee, affiliate, associate or employee is a duly licensed insurance agent or broker, provided, however, no licensee shall decline new or existing insurance which meets or exceeds the standards set forth in this section, nor prevent any borrower from obtaining such insurance coverage from other sources.

5. If a borrower procures such insurance by or through a licensee, the statement required by section three hundred fifty-two of this article shall disclose the cost or rate of charge to the borrower and the type of insurance, and the licensee shall cause to be delivered to the borrower a copy of the policy, certificate, or other evidence therefor within a reasonable time.

6. The insurance authorized by this section and all benefits or returns therefrom accruing to the licensee or to any affiliate, associate or employee of the licensee shall not be prohibited by any other provision of this article.

7. No insurance shall be required, requested, sold or offered for sale in connection with any loan made under this article, except as and to the extent authorized by this section or as provided in subdivision six of section three hundred fifty-one of this article.

If the borrowers on any loan are husband and wife, joint credit life insurance and joint credit accident and health insurance may be issued on such loan pursuant to this section.