

# RHODE ISLAND - ANTI-COERCION INSURANCE DISCLOSURE

Loan #:  
MIN:

Date:  
Broker:  
Borrower(s):  
Property Address:

The lender shall not require the Borrower(s), as a condition of the mortgage or as a term of the mortgage deed, to carry property insurance coverage on the property which is the subject of the mortgage in excess of the replacement cost of any buildings or appurtenances subject to the mortgage. **R.I. Gen. Laws Ann. § 27-5-3.2**

The Borrower(s) shall have free choice of insurance producer and insurer through or by which the insurance is to be placed or written, subject only to the right of the builder, creditor, lender, or seller:

- To require evidence, to be produced at a reasonable time prior to commencement or renewal of risk, that the insurance providing reasonable coverage has been obtained in an amount equal to the amount required by the builder, creditor, lender, or seller;
- To require insurance in an insurer authorized to do business and having a licensed resident insurance producer agent in this state; and
- To refuse to accept insurance in a particular insurer on reasonable grounds related to solvency.

**R.I. Gen. Laws Ann. § 27-29-4(9) & (10)**

Rhode Island law prohibits the purchase of insurance from the lender as a condition of loan or mortgage approval.

Any insurance offered, recommended, sponsored, or sold by the lender (1) is not a deposit; (2) is not insured by the Federal Deposit Insurance Corporation; (3) is not guaranteed by the lender or an affiliated insured depository institution; and (4) where appropriate, involves investment risk, including potential loss of principal.

**R.I. Gen. Laws Ann, § 27-58-7**

By signing below, you acknowledge receipt of this Disclosure.

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- BORROWER - - DATE -

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- BORROWER - - DATE -