

## 2—SCOPE OF ACT.

This Act applies to all insurance companies, including stock and mutual companies, Lloyd's or a Lloyd's Plan of operation, and reciprocal exchanges and inter-insurers.

This Act applies to casualty insurance, including fidelity, surety and guaranty bonds, and to all other forms of motor vehicle insurance, on risks, or operations in this State, except:

(a) reinsurance, other than joint reinsurance to the extent stated in Sub-section 11;

(b) accident and health insurance;

(c) insurance against loss of or damage to aircraft or against liability, other than workmen's compensation and employers' liability, arising out of the ownership, maintenance or use of aircraft;

(d) Title Insurance;

(e) Non-Profit Hospital Service Plans.

This Act shall not apply to the Maryland "State Accident Fund".

If any kind of insurance, subdivision or combination thereof, or type of coverage, subject to this Act, is also subject to regulation by another rate regulatory Act of this State, an insurer to which both Acts are otherwise applicable shall file with the insurance commissioner hereinafter referred to as commissioner, a designation as to which rate regulatory Act shall be applicable to it with respect to such kind of insurance, subdivision or combination thereof, or type of coverage.

## 3—MAKING OF RATES.

(a) All rates shall be made in accordance with the following provisions:

1. Due consideration shall be given to past and prospective loss experience within and outside this State, to catastrophe hazards, if any, to a reasonable margin for underwriting profit and contingencies, to dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policyholders, members or subscribers, to past and prospective expenses both country-wide and those specially applicable to this State, and to all other relevant factors within and outside this State;

2. The systems of expense provisions included in the rates for use by any insurer or group of insurers may differ from those of other insurers or groups of insurers to reflect the