

Judgment Fund, providing for withdrawal of counsel for insurers assigned to defend uninsured motorists in such claims or actions, and providing for entry of judgment against such motorists in claims or actions under the Fund law.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That new Section 156A be and it is hereby added to Article 66½ of the Annotated Code of Maryland (1957 Edition), title "Motor Vehicles", sub-title "Unsatisfied Claim and Judgment Fund", to follow immediately after Section 156 thereof, and to read as follows:*

*156A. As soon as practicable after assignment of any claim or action to an insurer for investigation and defense, and if the Board finds that the defendant was negligent and that his negligence was the proximate cause of the accident from which the action arises, the Board shall negotiate with the plaintiff to obtain an offer of settlement of the claim or action. If the Board finds that the plaintiff's offer is reasonable, it shall submit the offer to the defendant for acceptance or rejection. If defendant accepts the offer, the plaintiff shall proceed to settlement as provided in Section 161 herein. If defendant rejects the offer, the Board shall cause a notice to be served upon the defendant sent by registered mail to his last known address which shall state: (1) That the insurer to which the claim or action was assigned for defense shall withdraw from the claim or action without further notice at the expiration of thirty days from the date of the notice; (2) That defendant has thirty days from the date of the notice within which to engage counsel of his own selection to defend him in the claim or action and that his counsel shall enter his appearance for defendant within the thirty-day period or that defendant may enter an appearance in his own behalf in the claim or action within the said period; and (3) That, if the provisions of ~~paragraph (2)~~ ITEM (2) HEREINABOVE are not complied with, at any time after thirty days from the date of the notice and without further notice, judgment may be entered against him in the claim or action in the amount of the settlement offer. After the expiration of any thirty-day period of notice to a defendant, the Board may request the court to set the claim or action for a hearing. At the hearing the court may proceed in a summary manner, and if it is satisfied that this section or any other applicable provisions of this sub-title have been complied with, it may enter judgment against the defendant in favor of the plaintiff in the amount of the settlement offer.*

SEC. 2. *And be it further enacted, That this Act shall take effect June 1, 1963.*

Approved March 14, 1963.

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CHAPTER 75  
(Senate Bill 162)

AN ACT to repeal and re-enact, with amendments, Section 174 (c) of Article 66½ of the Annotated Code of Maryland (1957 Edition), title "Motor Vehicles", sub-title "Unsatisfied Claim and Judgment Fund", to provide for waiver of default under certain