

in advance, upon the entire amount advanced, payable in installments. In addition to the above service charge insurance premium finance companies shall be permitted to charge an initial service charge of not over ten dollars (\$10.00) which need not be refunded upon cancellation or prepayment.

~~(b) [Except for the maximum and minimum service charges as provided in subsection (a),] Such service charge shall be computed on the balance payable in successive monthly installments substantially equal in amount for a period of one (1) year. On a premium finance agreement providing for installments extending for a period less than or greater than one (1) year, the service charge shall be computed proportionately.~~

~~(c) When a premium finance agreement provides for unequal or irregular installments, the service charge shall be computed at the effective rate provided for in Subsection (a), having due regard for the schedule of installments.~~

~~(d) (B) No premium finance company shall induce an insured to become obligated under more than one (1) premium finance agreement for the purpose of obtaining more than one (1) [minimum] initial service charge.~~

486E.

A premium finance agreement may provide for the payment by the insured of a delinquency and collection charge on each installment in default for a period of not less than five (5) days in an amount of one dollar (\$1.00) to a maximum not to exceed five per cent (5%) of such installment or five dollars (\$5.00), whichever is less, provided that only one such delinquency and collection charge may be collected on any such installment regardless of the period during which it remains in default; and if the default results in the cancellation of any insurance contract listed in the agreement, the agreement may provide for the payment by the insured of a cancellation charge equal to the difference between any delinquency and collection charge imposed in respect to the installment in default and five dollars (\$5.00) [.] ; *provided, however, that should the cancellation notice be withdrawn prior to its effective date and the insurance coverages reinstated, the agreement may provide for payment by the insured of the same charges provided for above where the cancellation is actually effected.*

486F.

(a) When in connection with a premium finance agreement, a power of attorney or other authority to cancel any insurance contract or contracts on behalf of the insured is given to a premium finance company, the insurance contract or contracts may not be cancelled by the premium finance company unless such cancellation is effectuated in accordance with the following provisions:

(b) Not less than ten (10) days written notice shall be mailed to the insured of the intent of the premium finance company to cancel the insurance contract or contracts unless the defaulted installment payment is received within said ten (10) day period.

(c) After expiration of such ten (10) day period, the premium finance company may thereafter cancel by mailing to the insurer a