

240C.

(a) Definitions.

"Applicant" as used in this section is defined to mean the person seeking to purchase an insurance policy **OTHER THAN A POLICY OF LIFE OR HEALTH INSURANCE** whether such policy be ~~an~~ original policy, a renewal policy, or as a reinstatement of a cancelled policy.

"Reason" as used in this section is defined to include "Reasons."

(b) All Applicants.

If an insurer cancels or refuses to ~~issue or~~ renew a policy, such insurer must furnish to the applicant a statement of the actual reason therefor, or that the actual reason will be provided upon request, if:

(1) The duly authorized premium has been tendered or paid.

(2) A written request for the actual reason has been made within thirty days after receipt of the statement of ~~refusal to issue, or~~ intention to cancel or not renew, whether or not the applicant subsequently is accepted under any of the plans set forth in subsection (f) of this section.

(c) Existing Policyholders.

In the case of cancellation or refusal to renew, subsection (b) of this section is applicable if the actual policy has been issued or if a binder has been in effect for at least fifteen days.

(d) New Applicants.

In the case of a refusal to issue, subsection (b) of this section is applicable, subject to the following:

(1) The application must be made in writing and signed by the applicant.

(2) Every insurer, or its agent, must provide an application form upon written request therefor, or refuse to provide such form in a written statement which conforms to the requirements for a statement of actual reason as provided in subsection (e) of this section.

(3) The statement must advise the applicant of his right to insurance under availability plans in accordance with subsection (a) of Section 240A.

(e) (D) Requirements as to Statements.

If a statement of actual reason, or a statement refusing an application, is furnished substantially pursuant to subsections (b), (c), or (d) of this section, it shall be subject to the following:

(1) it shall be privileged and shall not constitute grounds for any action against the insurer or its representatives or any person who in good faith furnishes to the insurer the information upon which the statement is based;

(2) a copy of the statement shall be furnished to the Commissioner;

(3) the statement must be made by the insurer or its duly authorized agent within ten days after receipt by the insurer of a request therefor;