

(4) if not made pursuant to request, the statement must contain notice to the applicant that he has a right to request the actual reason therefor, provided he makes the request within thirty days after receipt of the statement of refusal to issue or intention to cancel or not renew and that any such statement will be retained as a public record in the ~~Department~~ DIVISION;

(5) the reason given must be sufficiently clear and specific so that an applicant of reasonable intelligence will be able to identify the basis for the insurer's decision without making further inquiry. Generalized terms such as personal habits, living conditions, poor morals, violation or accident record, are not adequate to meet this requirement.

~~(f)~~ (E) *Applicability to Availability Programs.*

The provisions of this section shall apply to the Maryland Automobile Insurance Plan, the Maryland Property Insurance Availability Program, and to any other plans which may be instituted to assure availability of insurance, unless explicitly excluded.

240D.

If an insurer fails to comply with any provision of Sections 240A, 240B, or 240C, such insurer shall be liable to the applicant for the coverage which was requested, or which would have become effective except for the failure to comply with this section, unless the person seeking coverage no longer wishes the coverage, has obtained other substantially equivalent coverage, or fails to tender or pay the premium after reasonable demand therefor has been made. Such liability is in addition to any other penalties applicable pursuant to law.

[240D.] 240E.

(a) No person shall make, issue or charge, or cause to be made, issued or charged to any individual, any type of credit life or disability insurance premium without the express written consent of that individual.

(b) The computation of a service charge in a retail credit account shall not be based in any part upon the premiums due under a policy of credit life or disability insurance. For the purposes of this subsection, the terms "service charge" and "retail credit account" shall have the same definition given those terms in Sections 153A (e) and 153A (h), respectively, of Article 83 of this Code (1957 Edition, as amended).

(c) For the purposes of this section, "credit life or disability insurance" means any type of insurance which will pay all or part of an individual's debt upon his death or disability.

[240E.] 240F.

No policy or contract of motor vehicle liability insurance shall be cancelled or nonrenewed exclusively for the reason of age of the holder of the policy or contract.

SEC. 2. *And be it further enacted, That this Act shall take effect July 1, 1971.*

Approved May 17, 1971.