

(2) Renew the policy upon tender of payment, [or comply with Section 240C,] provided the tender is made within 30 days after the policyholder discovers or should have discovered that his policy has not been renewed.

(c) The duty imposed by [paragraph] *subsection* (a) of this [subsection] *section* will be deemed discharged if the insurer shows that its established procedures would have resulted in the placing in the United States mail of the notice of renewal premium due, provided there is no showing that in fact the notice was not placed in the mail.

240C. Statement of reason for cancellation or refusal to renew.

(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 or motor vehicle liability insurance whether such policy be a renewal policy, or as a reinstatement of a cancelled policy.

“Reason” REASON as used in this section is defined to include “reasons.”

(b) ~~All applicants~~ ALL APPLICANTS—If an insurer cancels or refuses to 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 intention to cancel or not renew, whether or not the applicant subsequently is accepted under any of the plans set forth in subsection (f) [(e)] of this section.

(c) ~~Existing policyholders~~ 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) ~~Requirements as to statements~~ 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;

(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 division;