

ings or unabsorbed premium deposits allowed or returned by insurers to their policyholders; (viii) and to all other relevant factors within and outside this State.

(2) Rates shall not be excessive, inadequate, or unfairly discriminatory.

(3) The systems of expense provisions included in the rates for use by any insurer or group of insurers may differ from those of other insurers or groups of insurers to reflect the requirements of the operating methods of any such insurer, or group with respect to any kind of insurance, or with respect to any subdivision or combination thereof for which subdivision or combination separate expense provisions are applicable.

(4) Risks may be grouped by classifications for the establishment of rates and minimum premiums. Classification rates may be modified to produce rates for individual risks in accordance with rating plans which establish standards for measuring variations in hazards or expense provisions, or both. The standards may measure any difference among risks that can be demonstrated *objectively* to have a *direct and substantial* [probable] effect upon losses or expenses. HOWEVER, NO RATE MAY BE BASED PARTIALLY OR ENTIRELY ON GEOGRAPHIC AREA ITSELF, AS OPPOSED TO UNDERLYING RISK CONSIDERATIONS, EVEN THOUGH EXPRESSED IN GEOGRAPHIC TERMS.

(5) Uniformity among insurers in any matters within the scope of this subsection is neither required or prohibited.

(6) Unless the filer demonstrates that the proposed rate is not excessive or inadequate or unfairly discriminatory, the Commissioner may disapprove the filing.

(7) *No insurer under an automobile liability insurance policy shall classify or maintain an insured in a classification entailing a higher premium because of the insured's claim experience for a period longer than three years after the filing of the last claim by or against the insured, and no such insurer shall classify or maintain an insured in a classification entailing a higher premium because of the insured's driving record for a period longer than three years after the obtaining of the last point or points by the insured under Part IV of Subtitle 6 of Article 66½ of the Annotated Code of Maryland.*

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*(c-1) The Commissioner is empowered at any time to require any automobile liability insurance rating organization and any insurer writing automobile liability insurance in this State to demonstrate to him that its rates and methods of setting rates for automobile liability insurance are in compliance with subsection (c) hereof, notwithstanding that the rates then in effect had previously been approved by the Commissioner. If, after a hearing held upon not less than ten days' written notice to the rating organization or insurer, the Commissioner finds that the rates or any part thereof, or the method of setting the rates on any part thereof, are not in compliance with subsection (c) hereof, he may pass such order or orders as he deems appropriate to (i) require that the rates or parts thereof, or the method of setting the rates or any part thereof, be so adjusted as to comply with subsection (c), and (ii) require any such*