

damage. Any private passenger automobile exceeding by two (2) years the model year of the manufacture of such vehicle shall be designated as ineligible under the plan unless a certificate of inspection as provided for under Article 66½ of this Code as amended, is submitted upon request of the insurer within 30 days of the attachment of coverage or upon renewal anniversary of any coverage.

(iii) Notwithstanding any other rate filing or plan provision to the contrary, previous cancellations or inability to obtain insurance may not be used as a basis for rating, provided nothing in this paragraph shall be construed to require or permit inadequate rates.

(iv) Insurance issued under the Maryland automobile insurance plan shall be effective beginning at the time the risk is bound by any procuring licensed agent or broker who is licensed as a resident broker or agent in accordance with the provisions of subtitle 11 of this article. Provided however that, with respect to the time insurance coverage becomes effective, the plan may provide that the agent or broker send by registered or certified mail a binder notice to the Maryland automobile insurance plan office and that the insurance take effect at 12:01 a.m. of the second day following mailing of the binder notice.

(v) No eligible applicant may be refused or cancelled by the insurer for underwriting reasons, provided that nothing in this paragraph shall prevent reclassification of risks, subject to all of the other standards and requirements of this article, and provided further that nothing in this paragraph shall prevent correction of an error in the rate or change in classification of any risk at any time or rescission for fraud or material misrepresentation in procuring the insurance.

(vi) An insurer hereunder shall not be permitted to refuse or cancel any insurance for nonpayment of premium unless (1) the net premium is not received from the broker within 10 days after a statement of net amount due is mailed by the insurer to the broker or procuring agent, but in no event earlier than 30 days from the date when the insurance became effective, or (2) the broker or procuring agent orders cancellation for nonpayment, or (3) a lender or assignee, whether by written power of attorney or otherwise, orders cancellation. An insurer hereunder shall not cancel any insurance for nonpayment of premiums where the premium due has been paid to the broker or licensed procuring agent. Notwithstanding any default of the insured in a premium payment to the broker or procuring agent, or any cancellation or replacement of the insurance, whether prior to or after the issuance of a policy any broker or procuring agent who binds or places as such insurance is liable to the insurer for payment in full of the net premium therefor the time the insurance is in force. The plan may provide for a minimum net earned premium of not exceeding \$15.00 per automobile.

(vii) An insurer hereunder shall upon appropriate notice in accordance with Section 486F, of this article cancel the insurance and return the unearned premium to the lender, assignee, broker, or other person who is entitled to the same.

(viii) The broker or procuring agent shall be allowed a commission on such business of not less than 10 percent of the gross premium, and no insurer may require that the broker remit greater than the resulting net premium after deduction of commissions under the Maryland automobile insurance plan.