

(A) EACH LIFE INSURANCE POLICY OR ANNUITY CONTRACT SUBJECT TO THIS SUBTITLE SHALL HAVE ATTACHED OR PROMINENTLY PRINTED ON THE FACE OF THE POLICY OR CONTRACT THE FOLLOWING INFORMATION:

(1) A NOTICE TO THE POLICYHOLDER THAT, DURING THE PERIOD OF TEN DAYS FROM THE DATE THE POLICY OR CONTRACT IS DELIVERED TO THE POLICYHOLDER, IT MAY BE SURRENDERED TO THE INSURER FOR CANCELLATION, AND A PRO RATA PREMIUM FOR THE UNEXPIRED TERM OF THE POLICY SHALL BE RETURNED TO THE POLICYHOLDER. THE NOTICE SHALL BE GIVEN TO THE INSURER IN WRITING; OR

(2) A NOTICE TO THE POLICYHOLDER WHICH IS SIMILAR TO THE NOTICE CONTAINED IN PARAGRAPH (1) AND WHICH, IN THE OPINION OF THE COMMISSIONER, IS NOT LESS FAVORABLE TO THE POLICYHOLDER.

(B) THIS SECTION SHALL NOT APPLY TO POLICIES OR CONTRACTS ISSUED TO AN EMPLOYEE IN CONNECTION WITH THE FUNDING OF A PENSION, ANNUITY OR PROFIT SHARING PLAN, QUALIFIED OR EXEMPT UNDER SECTION 401, 403, 404 OR 501 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1954 IF PARTICIPATION IN THE PLAN IS A CONDITION OF EMPLOYMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1975.

Approved May 15, 1975.

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CHAPTER 651

(House Bill 148)

AN ACT concerning

Insurance - Motor Vehicle Security Fund

FOR the purpose of abolishing the Motor Vehicle Security Fund and transferring its assets, claims, and duties to the Maryland Insurance Guaranty Association; clarifying definitions; eliminating the requirement that board selections for the Association be submitted to the Insurance Commission; eliminating the requirement that the Insurance Commissioner be and remain a member of the Board of Directors of the Maryland Insurance Guaranty Association and be its Chairman; and correcting certain language.