

DUE TO AN INSURED, AND UNEARNED COMMISSIONS DUE TO AN INSURER. THE BOND SHALL REMAIN IN FORCE UNTIL THE SURETY IS RELEASED FROM LIABILITY BY THE COMMISSIONER OR UNTIL THE BOND IS CANCELLED BY THE SURETY. THE AGGREGATE LIABILITY OF THE SURETY FOR ANY AND ALL CLAIMS ON ANY SUCH BOND SHALL IN NO EVENT EXCEED THE PENALTY AMOUNT THEREOF. WITHOUT PREJUDICE TO ANY LIABILITY ACCRUED PRIOR TO THE CANCELLATION THE SURETY MAY CANCEL THE BOND UPON 30 DAYS' WRITTEN NOTICE FILED WITH THE COMMISSIONER. UPON NOTIFICATION OF THE CANCELLATION OF ITS BOND FILED WITH THE COMMISSIONER, A PREMIUM FINANCE COMPANY MUST ACT PROMPTLY TO REPLACE THE BOND, AND UPON ITS FAILURE TO DO SO, THE COMMISSIONER SHALL DENY, SUSPEND, REVOKE OR REFUSE TO CONTINUE THE REGISTRATION OF THE PREMIUM FINANCE COMPANY UNTIL THE REQUIRED ECND IS FILED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1977.

Approved May 17, 1977.

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CHAPTER 339

(Senate Bill 695)

AN ACT concerning

Insurance Claims

FOR the purpose of requiring insurers to notify certain ~~prospective claimants under certain circumstances;~~ insured of certain filing requirements for claims; and clarifying language.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code  
Section 544  
Annotated Code of Maryland  
(1972 Replacement Volume and 1976 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 544 of Article 48A - Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1976 Supplement) be and it is hereby repealed and reenacted, with amendments, to read as follows:

Article 48A - Insurance Code

544.

(a) All payments of benefits prescribed under § 539 shall be made periodically as the claims therefor arise