

AUTO NO-FAULT, OTHER COMMERCIAL AUTO LIABILITY, PRIVATE PASSENGER AUTO PHYSICAL DAMAGE, AND COMMERCIAL AUTO PHYSICAL DAMAGE ON THE EXHIBIT OF PREMIUMS AND LOSSES PAGE OF THE ANNUAL STATEMENT WHICH INSURERS ARE REQUIRED TO FILE WITH THE INSURANCE COMMISSIONER OF THE STATE OF MARYLAND.

(N) "ASSOCIATION" MEANS THE INDUSTRY AUTOMOBILE INSURANCE ASSOCIATION CREATED UNDER § 243M.

(O) "CASH BASIS ACCOUNTING" MEANS THE RECORDS OF ACCOUNTS OF THE FUND EVIDENCING ALL CASH RECEIPTS AND ALL CASH DISBURSEMENTS OF THE FUND FOR A PARTICULAR YEAR.

(P) "STATUTORY BASIS ACCOUNTING" MEANS THOSE ACCOUNTING PRACTICES PRESCRIBED OR PERMITTED BY THE MARYLAND INSURANCE COMMISSIONER, AS REFLECTED IN THE FUND'S ANNUAL STATEMENT.

243M.

(d) -A- The board of directors shall receive from the Maryland Automobile Insurance Fund the certification of any [estimated] ACTUAL insufficiency FOR A PRECEDING CALENDAR YEAR in accordance with § 243A [(c)] (B). On or before [November 15] JUNE 30 of [any] EACH year in which the board receives such a certification, it shall:

(1) Determine from the Insurance Commissioner the [amount of] AGGREGATE net direct WRITTEN premiums [written by] OF [each] ALL [member] MEMBERS of the association during the [preceding] MOST RECENT calendar year DETERMINED BY THE INSURANCE COMMISSIONER. ["Net direct premiums" means direct gross premiums written in this State on policies of motor vehicle liability and physical damage insurance less return premiums and dividends paid or credited to policyholders with respect to these policies.]

[(2) Assess and collect from each member of the association an amount equal to the same proportion of the expected insufficiency of the Fund certified to the association as the member's net direct written premiums during the preceding calendar year bears to the aggregate net direct written premiums of all members of the association during that preceding calendar year. However, the assessment against a member may not exceed 4 percent of the amount of its said net direct written premiums.

(3) Determine from the Insurance Commissioner the amount of any gross surplus recoupment or net unrealized recoupment reported by each member of the association for the preceding 12 months ending September 30, in accordance with subsection (f).

(4) Prepare and submit to the Insurance Commissioner a schedule for each member showing:

(i) The amount of the total estimated insufficiency of the Fund certified to the association.