

240B.

(a) Insurers have a duty to provide each policyholder with a notice of renewal premium due at least 17 days in advance of the due date, unless a notice of intention not to renew has been furnished in compliance with §§ 240A and 240AA. This duty may be discharged by any duly qualified agent or broker.

(b) If there is a failure to discharge the duty set forth in subsection (a) of this section, and thereafter the policyholder fails to make timely payment of the renewal premium the insurer must:

(1) Provide coverage for any claim which would have been covered under the policy, if it arises within 45 days after the date the insured discovers or should have discovered that his policy has not been renewed; and

(2) Renew the policy upon tender of payment, provided the tender is made within 30 days after the policyholder discovers or should have discovered that his policy has not been renewed.

(c) The duty imposed by subsection (a) of this section will be deemed discharged if the insurer shows that its established procedures would have resulted in the placing in the United States mail of the notice of renewal premium due, provided there is no showing that in fact the notice was not placed in the mail.

(D) ~~THE NOTICE SHALL STATE PRIOR TO THE ACTUAL EXPIRATION OF A POLICY OF MOTOR VEHICLE INSURANCE RESULTING FROM NONPAYMENT OF RENEWAL PREMIUM, THE INSURER SHALL PROVIDE NOTICE TO THE INSURED IN CLEAR AND SPECIFIC TERMS ON A FORM APPROVED BY THE COMMISSIONER THAT IF THE INSURED FAILS TO RENEW OR REPLACE THE INSURANCE BEFORE THE DUE DATE, § 17-106 OF THE TRANSPORTATION ARTICLE REQUIRES THAT UNINSURED MOTORIST PENALTIES BE ASSESSED AND EVIDENCES OF REGISTRATION PLATES SHALL BE SURRENDERED TO THE MOTOR VEHICLE ADMINISTRATION AND THAT FAILURE TO DO SO WILL SURRENDER THE EVIDENCES OF REGISTRATION MAY RESULT IN SUSPENSION OF CURRENT AND FUTURE REGISTRATION PRIVILEGES AND THE ASSESSMENT OF UNINSURED MOTORIST PENALTIES AS PROVIDED IN § 17-106 OF THE TRANSPORTATION ARTICLE.~~

240D.

(A) If an insurer fails to comply with any provision of §§ 240A, 240AA, 240B, or 240C, such insurer shall be liable to the applicant for the coverage which was requested, or which would have become effective except for the failure to comply with these sections, unless the person seeking coverage no longer wishes the coverage, has obtained other substantially equivalent coverage, or fails to tender or pay the premium after reasonable demand therefor has been made. Such liability is in addition to any other penalties applicable pursuant to law.

(B) ~~LIABILITY FOR COVERAGE DOES NOT APPLY FOR FAILURE TO COMPLY WITH §§ 240AA(B)(9) AND 240B(D)~~ § 240B(D) OF THIS SUBTITLE, AS THOSE PROVISIONS RELATE TO MOTOR VEHICLE LIABILITY INSURANCE.