

charge. This charge shall be separately stated in the policy. The Society [and its subsidiaries] shall cancel the policy of any policyholder who fails to pay the [Stabilization Reserve Fund] RATE STABILIZATION charge.

(c) [Collection of the Stabilization Reserve Fund charge shall continue until such time as the net balance of the Stabilization Reserve Fund is not less than the projected sum of premiums to be written in the year following the valuation date. The Fund shall be credited with all reserve fund charges collected from policyholders and, in any year the Society or its subsidiaries sustains an operating loss, be charged with the loss.] ALL RATE STABILIZATION CHARGES SHALL BE DEEMED TO BE, AND SHALL BE ENTERED INTO THE RECORDS OF THE SOCIETY AS, UNASSIGNED SURPLUS.

(d) Each policyholder shall be subject to assessment as provided in §§ 6-509, 6-510 and 6-511 of the Corporations and Associations Article[, except that:

(1) The amount of all assessments may not exceed a full year's premium calculated as of the policy anniversary next preceding the time of assessment.

(2) The amount specified in paragraph (1) shall be further reduced in the proportion that the percentage of the net balance of the Stabilization Reserve Fund at the time of assessment bears to \$5,000,000.

(3) Upon the Commissioner's approval, the assessable liability of the policyholders not in excess of 5% of one year's annual premium may be extinguished].

(e) Notwithstanding provisions of subsection (d) of this section, the Society [and its subsidiaries] may issue nonassessable policies subject to the provisions of Sections 262 and 263, and all other applicable provisions of this article and the Corporations and Associations Article when the Society [and its subsidiaries meet] MEETS all applicable requirements of this article concerning the sale of nonassessable policies including, but not limited to, Sections 48, 49, and 50 of this article.

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(a) The terms and conditions of all policies issued by the Society [and its subsidiaries] to each class of physicians and other health care providers shall be essentially uniform in terms and coverage.

(b) Notwithstanding the provisions of subsection (a), the Society [and its subsidiaries] may prescribe reasonable classifications of physicians and other health care providers and insured activities and exposures based on good faith determination of relative exposures and hazards among classifications and may vary the limits, coverages, exclusions, conditions, and loss-sharing provisions among classifications. Additionally, the Society [and its subsidiaries] may prescribe, in the case of an individual physician or other health care provider within a class, reasonable variations in the terms of coverage including, but not limited to, deductibles and loss-sharing provisions, based upon the insured's prior loss experience and current professional training and capability.

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