

“the binding rules of the Fund” to conform to the terminology of this article. See the General Revisor’s Note to this article. As to regulations concerning binding, see COMAR 14.07.02.

In subsection (d)(1)(i) and (2) of this section, the defined term “Association member” is substituted for the former broad reference to “insurer” for clarity.

In the introductory language of subsection (e) and in subsection (e)(2) of this section, the reference to a producer’s authority to “bind coverage in” the Fund is substituted for the former, vague reference to a producer’s authority to “write any business on behalf of” the Fund for clarity and to conform to the terminology of COMAR 14.07.02.01.

Defined terms: “Commissioner” § 1-101

“Fund” § 20-101

“Person” §§ 1-101 and 20-101

“Producer” § 20-101

#### 20-512. PAYMENT OF COMMISSION TO PRODUCER.

##### (A) IN GENERAL.

EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE FUND SHALL PAY TO A PRODUCER OF A POLICYHOLDER TO WHOM A POLICY IS ISSUED A COMMISSION:

(1) FOR PRIVATE PASSENGER AUTO INSURANCE ISSUED BY THE FUND, AT A RATE OF 10% OF THE TOTAL PREMIUM; AND

(2) FOR ANY OTHER INSURANCE ISSUED BY THE FUND, AT A RATE DETERMINED BY THE FUND BUT NOT TO EXCEED 10% OF THE TOTAL PREMIUM.

##### (B) EXCEPTIONS.

THE FUND MAY NOT PAY A COMMISSION:

(1) ON A FULLY EARNED BASIS;

(2) IF A PROSPECTIVE INSURED FAILS TO QUALIFY UNDER § 20-502 OF THIS SUBTITLE; OR

(3) IF A PROSPECTIVE INSURED’S INITIAL PAYMENT TO THE FUND, A PRODUCER, OR PREMIUM FINANCE COMPANY IS NOT HONORED.

##### (C) UNEARNED COMMISSIONS.

IF A POLICY ISSUED BY THE FUND IS CANCELED, THE FUND SHALL REFUND ANY UNEARNED COMMISSIONS.

REVISOR’S NOTE: This section is new language derived without substantive change from former Art. 48A, § 243B(c)(1), (2), (4), and the first clauses of (3)(i) and (ii).

In subsection (a)(1) of this section, the reference to private passenger “auto”