

insurance is substituted for the former reference to private passenger "automobile" insurance to conform to the terminology used elsewhere in this title.

Defined terms: "Fund" § 20-101

"Insurance" § 1-101

"Policy" § 1-101

"Premium" § 1-101

"Producer" § 20-101

20-513. ACTIONS AGAINST PRODUCERS.

THE FUND MAY REFUSE TO ACCEPT FURTHER APPLICATIONS FROM A PRODUCER OR MAY TERMINATE THE AUTHORITY OF THE PRODUCER TO BIND COVERAGE OR BOTH IF:

(1) THE FUND FINDS THAT THE PRODUCER HAS ENGAGED IN THE PRACTICE OF BINDING COVERAGE IN THE FUND IN VIOLATION OF REGULATIONS ADOPTED BY THE BOARD OF TRUSTEES; OR

(2) AFTER DEMAND HAS BEEN MADE BY THE FUND, THE PRODUCER FAILS TO PAY MONEY OWED THE FUND AS A RESULT OF:

(I) THE BINDING OR CHANGE OF COVERAGE; OR

(II) A COMMISSION PAID TO THE PRODUCER ON A POLICY THAT IS CANCELED AFTER THE EFFECTIVE DATE OF COVERAGE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 243B(e) and (f)(1).

In item (1) of this section, the former reference to "rules" is deleted as included in the reference to "regulations". See the General Revisor's Note to this article.

Defined terms: "Board of Trustees" § 20-101

"Fund" § 20-101

"Policy" § 1-101

"Producer" § 20-101

20-514. NOTICE AND HEARING.

(A) REQUIRED.

EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE FUND SHALL GIVE PRIOR WRITTEN NOTICE TO A PRODUCER OF ITS INTENDED ACTION UNDER § 20-513 OF THIS SUBTITLE AND GIVE THE PRODUCER AN OPPORTUNITY FOR A HEARING BEFORE TAKING THE ACTION.

(B) EXCEPTION.