

(4) IS CONDITIONED THAT THE PREMIUM FINANCE COMPANY WILL ACCOUNT FOR AND PAY OVER TO THE PERSON ENTITLED TO RECEIVE IT ALL MONEY BELONGING TO THE PERSON THAT COMES INTO THE POSSESSION OF THE PREMIUM FINANCE COMPANY, INCLUDING UNEARNED PREMIUMS DUE TO AN INSURED AND UNEARNED COMMISSIONS DUE TO AN INSURER.

(B) DURATION.

THE BOND SHALL REMAIN IN FORCE UNTIL THE SURETY INSURER IS RELEASED FROM LIABILITY BY THE COMMISSIONER OR UNTIL THE BOND IS CANCELED BY THE SURETY INSURER.

(C) TOTAL LIABILITY.

THE TOTAL LIABILITY OF THE SURETY INSURER UNDER THE BOND MAY NOT EXCEED THE PENAL SUM OF THE BOND.

(D) CANCELLATION; REPLACEMENT.

(1) (I) THE SURETY INSURER MAY CANCEL THE BOND AFTER FILING WRITTEN NOTICE WITH THE COMMISSIONER AT LEAST 30 DAYS BEFORE THE EFFECTIVE DATE OF THE CANCELLATION.

(II) A CANCELLATION UNDER THIS PARAGRAPH DOES NOT AFFECT ANY LIABILITY THAT ACCRUED BEFORE THE CANCELLATION.

(2) AFTER NOTIFICATION OF THE CANCELLATION OF THE BOND, THE PREMIUM FINANCE COMPANY SHALL ACT PROMPTLY TO REPLACE THE BOND.

(3) IF THE PREMIUM FINANCE COMPANY FAILS TO ACT PROMPTLY TO REPLACE THE BOND, THE COMMISSIONER SHALL DENY, SUSPEND, REVOKE, OR REFUSE TO RENEW THE REGISTRATION OF THE PREMIUM FINANCE COMPANY UNTIL THE REQUIRED BOND IS FILED.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 486B(a)(2) and the second clause of the first sentence of (1).

In subsections (a)(2) and (c) of this section, the references to the "penal sum" of the bond are substituted for the former references to the "penalty amount" of the bond for clarity and consistency throughout the article.

In subsection (a)(4) of this section, the former requirement to account "truly" is deleted as implicit.

Also in subsection (a)(4) of this section, the former references to an "entity" are deleted as unnecessary in light of the use of the defined term "person". See § 1-101 of this article.

Also in subsection (a)(4) of this section, the former phrase "but not limited to" is deleted as unnecessary in light of Art. 1, § 30 of the Code.

In subsections (b), (c), and (d)(1)(i) of this section, the references to a surety