

AGREEMENT MAY REQUIRE THE INSURED TO PAY A REINSTATEMENT CHARGE IN THE SAME AMOUNT AS THE CANCELLATION CHARGE THAT WOULD HAVE BEEN PAID IF THE CANCELLATION HAD ACTUALLY TAKEN EFFECT.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 486F(d) through (f).

In subsection (a) of this section, the phrase "in paying an installment" is added for clarity.

In subsection (b)(1) of this section, the word "personal" is added to modify "fire or liability insurance" for consistency with § 23-306(b)(1) of this subtitle.

Defined terms: "Insurance contract" § 1-101
"Premium finance agreement" § 23-101

23-308. DISHONORED CHECK FEE.

A PREMIUM FINANCE COMPANY MAY CHARGE A DISHONORED CHECK FEE, WHICH MAY NOT EXCEED \$20, FOR ACTUAL EXPENSES INCURRED IN THE PROCESSING OF A DISHONORED CHECK.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 486F(g).

Defined term: "Premium finance company" § 23-101

SUBTITLE 4. CANCELLATION OF INSURANCE CONTRACT UNDER POWER OF ATTORNEY.

23-401. COMPLIANCE WITH SUBTITLE REQUIRED.

WHEN IN CONNECTION WITH A PREMIUM FINANCE AGREEMENT A POWER OF ATTORNEY OR OTHER AUTHORITY TO CANCEL AN INSURANCE CONTRACT ON BEHALF OF AN INSURED IS GIVEN TO A PREMIUM FINANCE COMPANY, THE PREMIUM FINANCE COMPANY MAY NOT CANCEL THE INSURANCE CONTRACT EXCEPT IN ACCORDANCE WITH THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 486G(a).

The limitation "except in accordance with this subtitle" is substituted for the former limitation "unless such cancellation is effectuated in accordance with this section" for brevity.

The former references to a contract "or contracts" are deleted as unnecessary in light of Art. 1, § 8 of the Code, which provides that the singular includes the plural.

Defined terms: "Insurance contract" § 1-101
"Premium finance agreement" § 23-101
"Premium finance company" § 23-101