

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 486G(f)(1) and (2)(i) and (ii).

In the introductory language of subsection (a)(1) of this section, the phrase "or insureds" is deleted as surplusage in light of Art. 1, § 8 of the Code, which provides that the singular includes the plural.

In subsection (a)(1)(ii) of this section, the defined term "insurance contract" is substituted for the former term "policy" for consistency throughout this section.

Defined terms: "Agent" § 1-101

"Insurance contract" § 1-101

"Insurer" § 1-101

"Premium" § 1-101

"Premium finance agreement" § 23-101

"Premium finance company" § 23-101

23-406. LIMITATION ON COLLECTION AFTER CANCELLATION.

WHENEVER AN INSURANCE CONTRACT IS CANCELED IN ACCORDANCE WITH THIS SUBTITLE, THE PREMIUM FINANCE COMPANY MAY NOT COLLECT FROM AN INSURED AN AMOUNT DUE UNDER THE PREMIUM FINANCE AGREEMENT THAT IS LESS THAN \$5.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 486G(f)(2)(iii).

Defined terms: "Insurance contract" § 1-101

"Premium finance agreement" § 23-101

"Premium finance company" § 23-101

SUBTITLE 5. PROHIBITED ACTS; PENALTIES.

23-501. MAIF ADD-ON COVERAGE AS CONDITION.

A PREMIUM FINANCE COMPANY, OR AN AGENT OR PRODUCER, IF APPLICABLE, MAY NOT REQUIRE AN INSURED OR PROSPECTIVE INSURED TO PURCHASE OR FINANCE ADD-ON COVERAGE, AS DEFINED IN § 20-504 OF THIS ARTICLE, AS A CONDITION OF FINANCING THE PREMIUM FOR AN INSURANCE CONTRACT ISSUED BY THE MARYLAND AUTOMOBILE INSURANCE FUND.

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

Defined terms: "Agent" § 1-101

"Insurance contract" § 1-101

"Premium" § 1-101

"Premium finance company" § 23-101