

24-207. RATE STABILIZATION CHARGE.

(A) IN GENERAL.

(1) THE SOCIETY MAY COLLECT A RATE STABILIZATION CHARGE FROM EACH POLICYHOLDER OF THE SOCIETY IN EACH POLICY YEAR.

(2) THE AGGREGATE AMOUNT OF THE RATE STABILIZATION CHARGE FOR A POLICY YEAR MAY NOT EXCEED 20% OF THE AGGREGATE PREMIUMS FOR THAT POLICY YEAR.

(B) AMOUNT OF CHARGE.

(1) THE DIRECTORS OF THE SOCIETY SHALL DETERMINE THE AMOUNT OF THE RATE STABILIZATION CHARGE.

(2) THE RATE STABILIZATION CHARGE SHALL BE STATED SEPARATELY IN EACH POLICY.

(3) THE SOCIETY SHALL CANCEL THE POLICY OF EACH POLICYHOLDER THAT FAILS TO PAY THE RATE STABILIZATION CHARGE.

(C) UNASSIGNED SURPLUS.

ALL RATE STABILIZATION CHARGES ARE DEEMED TO BE, AND SHALL BE ENTERED INTO THE RECORDS OF THE SOCIETY AS, UNASSIGNED SURPLUS.

(D) POLICYHOLDERS SUBJECT TO ASSESSMENTS.

EACH POLICYHOLDER IS SUBJECT TO ASSESSMENT AS PROVIDED IN §§ 3-110, 3-111, AND 3-112 OF THIS ARTICLE.

(E) NONASSESSABLE POLICIES.

NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, IF THE SOCIETY MEETS ALL APPLICABLE REQUIREMENTS OF THIS ARTICLE ABOUT THE SALE OF NONASSESSABLE POLICIES, INCLUDING THE REQUIREMENTS OF §§ 4-104, 4-105, AND 4-106 OF THIS ARTICLE, THE SOCIETY MAY ISSUE NONASSESSABLE POLICIES SUBJECT TO:

- (1) § 3-113 OF THIS ARTICLE;
- (2) ALL OTHER APPLICABLE PROVISIONS OF THIS ARTICLE; AND
- (3) THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 553.

In the introductory language of subsection (e) of this section, the former phrase "but not limited to" is deleted in light of the reference to "including" which, under Art. 1, § 30, means by way of illustration and not by way of limitation.