

27-216. IMPROPER PREMIUMS AND CHARGES.

(A) INSURANCE NOT PROVIDED.

A PERSON MAY NOT WILLFULLY COLLECT A PREMIUM OR CHARGE FOR INSURANCE IF THE INSURANCE IS NOT THEN PROVIDED, OR IS NOT IN DUE COURSE TO BE PROVIDED SUBJECT TO ACCEPTANCE OF THE RISK BY THE INSURER, IN A POLICY ISSUED BY AN INSURER AS AUTHORIZED BY THIS ARTICLE.

(B) IMPROPER PREMIUMS AND CHARGES GENERALLY; EXCEPTIONS.

(1) A PERSON MAY NOT WILLFULLY COLLECT A PREMIUM OR CHARGE FOR INSURANCE THAT:

(I) EXCEEDS OR IS LESS THAN THE PREMIUM OR CHARGE APPLICABLE TO THAT INSURANCE UNDER THE APPLICABLE CLASSIFICATIONS AND RATES AS FILED WITH AND APPROVED BY THE COMMISSIONER; OR

(II) IF CLASSIFICATIONS, PREMIUMS, OR RATES ARE NOT REQUIRED BY THIS ARTICLE TO BE FILED WITH AND APPROVED BY THE COMMISSIONER, EXCEEDS OR IS LESS THAN THE PREMIUM OR CHARGE SPECIFIED IN THE POLICY AND SET BY THE INSURER.

(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT PROHIBIT:

(I) A SURPLUS LINES BROKER THAT HOLDS A CERTIFICATE OF QUALIFICATION UNDER TITLE 3, SUBTITLE 3 OF THIS ARTICLE FROM CHARGING AND COLLECTING APPLICABLE STATE AND FEDERAL TAXES IN ADDITION TO THE REQUIRED PREMIUM;

(II) A LIFE INSURER FROM CHARGING AND COLLECTING THE AMOUNT ACTUALLY EXPENDED FOR A MEDICAL EXAMINATION OF AN APPLICANT FOR LIFE INSURANCE OR REINSTATEMENT OF A POLICY OF LIFE INSURANCE;

(III) A BROKER FROM CHARGING A FEE, NOT EXCEEDING 15% OF THE PREMIUM, FOR SERVICES RENDERED IN REPLACING INSURANCE IN AN INSURER IF COMMISSIONS ARE NOT PAYABLE BY THE INSURER;

(IV) AN AGENT OR BROKER FROM CHARGING AND COLLECTING, AS ACTUAL EXPENSES INCURRED IN PLACING AUTOMOBILE INSURANCE WITH THE MARYLAND AUTOMOBILE INSURANCE FUND:

1. A MAXIMUM CHARGE OF \$10 PLUS \$1 MORE THAN THE ACTUAL CHARGE BY THE MOTOR VEHICLE ADMINISTRATION FOR A DRIVING RECORD REQUIRED TO BE PRESENTED WITH THE APPLICATION, UNLESS OTHERWISE PROVIDED BY THE FUND; OR

2. THE AMOUNT PROVIDED IN SUBSECTION (E) OF THIS SECTION; OR

(V) AN AUTHORIZED INSURER FROM CHARGING AND COLLECTING REASONABLE INSTALLMENT FEES AS APPROVED BY THE COMMISSIONER.