

~~†(c) A cancellation under this section shall be made as if the notice of cancellation had been submitted by the insured, but without requiring the return of the policy.†~~

23-404.

(a) All statutory, regulatory, and contractual restrictions that provide that the insured may not cancel an insurance contract unless notice is given to a governmental agency, mortgagee, or other third party shall apply to a cancellation made under this subtitle.

(b) If an insurer is required under subsection (a) of this section to give notice on behalf of itself or the insured, the insurer shall:

(1) give notice to the governmental agency, mortgagee, or other third party; and

(2) compute the effective date of cancellation from the day the insurer receives the notice of cancellation from the premium finance company.

23-405.

(a) (1) Whenever an insurance contract is canceled in accordance with this subtitle, the insurer shall return any gross unearned premiums that are due under the insurance contract, ~~less agents' earned commissions,~~ to the premium finance company for the account of the insured within a reasonable time not exceeding [60] 45 days after:

(i) receipt by the insurer of [the] A ~~WRITTEN~~ notice of cancellation FROM THE PREMIUM FINANCE COMPANY; or

(ii) completion of any payroll audit necessary to determine the amount of premium earned while the insurance contract was in force.

(2) ~~A RETURN PREMIUM SHALL BE SUBJECT TO ANY MINIMUM EARNED PREMIUM STATED IN THE INSURANCE CONTRACT.~~

(3) An audit under paragraph (1)(ii) of this subsection shall be performed within [60] 45 days after the insurer receives the notice of cancellation.

(b) (1) ~~†After the insurer returns to the premium finance company any gross unearned premiums that are due under the insurance contract, the premium finance company shall refund to the insured the amount of unearned premium that exceeds any amount due under the premium finance agreement.† IF CREDITING OF RETURN PREMIUMS TO THE ACCOUNT OF THE INSURED CAUSES A SURPLUS OVER THE AMOUNT DUE FROM THE INSURED, THE PREMIUM FINANCE COMPANY SHALL REFUND THE SURPLUS TO THE INSURED AS SOON AS REASONABLY POSSIBLE NOT EXCEEDING 15 BUSINESS DAYS AFTER THE PREMIUM FINANCE COMPANY RECEIVES ALL RETURN PREMIUMS.~~

(2) A premium finance company need not make a refund to the insured if the amount of the refund would be less than \$5.