

23-406.

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.

23-501.

A premium finance company, or an agent or producer ~~producer~~ BROKER, 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.

23-502.

A person may not pay any part of an initial service fee or any other fee or charge to an agent, broker, employee of an agent or broker, or to any other person as an inducement to financing an insurance contract with a premium finance company.

23-503.

A premium finance company may not induce an insured to enter into more than one premium finance agreement in order to obtain more than one initial service fee.

23-504.

Unless otherwise authorized by law, a person may not charge, take, receive from, reserve, or impose on an insured or prospective insured greater charges than those allowed by this title.

23-505.

The holder of a power of attorney may not cancel an insurance contract because a delinquency and collection charge under § 23-306 of this title has not been paid.

23-506.

In addition to any other applicable administrative or civil penalty, a premium finance company, insurer, agent, or broker that willfully and knowingly violates any provision of this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1997.

Approved May 22, 1997.
