

23-306.

(a) A premium finance agreement may require the insured to pay a delinquency and collection charge on each installment that is in default for a period of not less than 5 days.

(b) A delinquency and collection charge shall be at least \$1, up to a maximum of 5% of the installment in default, but may not exceed:

(1) \$5, with respect to private passenger automobile or personal fire or liability insurance; and

(2) ~~[\$50]~~ \$100, with respect to commercial automobile, fire, or liability insurance.

(c) Only one delinquency and collection charge may be collected on an installment, regardless of the period during which the installment remains in default.

23-307.

(a) A premium finance agreement may require the insured to pay a cancellation charge if a default in paying an installment results in the cancellation of an insurance contract listed in the premium finance agreement.

(b) A cancellation charge shall be:

(1) with respect to private passenger automobile or personal fire or liability insurance, equal to the difference between a delinquency and collection charge imposed under § 23-306 of this subtitle with respect to the installment in default and \$10; and

(2) with respect to commercial automobile, fire, or liability insurance, 5% of the installment, not to exceed ~~[\$50]~~ AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN A DELINQUENCY AND COLLECTION CHARGE IMPOSED UNDER § 23-306 OF THIS SUBTITLE WITH RESPECT TO THE INSTALLMENT IN DEFAULT AND \$100 .

(c) If a notice of cancellation is withdrawn before its effective date and the insurance coverage is reinstated, the premium finance agreement may require the insured to pay a reinstatement charge in the same amount as the cancellation charge that would have been paid if the cancellation had actually taken effect.

~~(d) A PREMIUM FINANCE AGREEMENT MAY PROVIDE FOR THE PAYMENT OF COLLECTION COSTS AND ATTORNEY'S FEES ON CANCELLATION EQUAL TO 20% OF THE OUTSTANDING DEBT IF THE PREMIUM FINANCE AGREEMENT IS REFERRED FOR COLLECTION TO A COLLECTION AGENCY OR ATTORNEY.~~

23-308.

A premium finance company may charge a dishonored check fee, which may not exceed ~~[\$20]~~ \$25, for actual expenses incurred in the processing of a dishonored check.

23-309.

A premium finance company may not charge an insured or a prospective insured any fee for the expense that the premium finance company incurs in obtaining a