

TO THE INSURED, BY CERTIFICATE OF MAILING, A WRITTEN NOTICE OF INTENTION TO CANCEL FOR NONPAYMENT OF PREMIUM.

27-605.

(a) (1) Except in accordance with this article, with respect to a policy of motor vehicle liability insurance or a binder of motor vehicle liability insurance, if the binder has been in effect for at least 45 days, issued in the State to any resident of the household of the named insured, an insurer other than the Maryland Automobile Insurance Fund may not:

(i) cancel or fail to renew the policy or binder for a reason other than nonpayment of premium;

(ii) increase a premium for any coverage on the policy; or

(iii) reduce coverage under the policy.

(2) Notwithstanding paragraph (1) of this subsection, the requirements of this section do not apply if:

(i) the premium increase described in paragraph (1)(ii) of this subsection is part of a general increase in premiums approved by the Commissioner and does not result from a reclassification of the insured;

(ii) the reduction in coverage described in paragraph (1)(iii) of this subsection is part of a general reduction in coverage approved by the Commissioner or satisfies the requirements of Title 19, Subtitle 5 of this article; or

(iii) the failure to renew the policy takes place under a plan of withdrawal that:

1. is approved by the Commissioner under § 27-603 of this subtitle; and

2. provides that each insured affected by the plan of withdrawal shall be sent by certificate of mailing at least 45 days before the nonrenewal of the policy a written notice that states the date that the policy will be nonrenewed and that the nonrenewal is the result of the withdrawal of the insurer from the market.

(b) (1) At least 45 days before the proposed effective date of the action, an insurer that intends to take an action subject to this section must send written notice of its proposed action to the insured at the last known address of the insured:

(i) for notice of cancellation or nonrenewal, by certified mail; and

(ii) for all other notices of actions subject to this section, by certificate of mailing.

(2) The notice must be in triplicate and on a form approved by the Commissioner.

(3) The notice must state in clear and specific terms: