

## Article - Insurance

27-501.

~~(a) (3) AN INSURER MAY NOT CANCEL A PARTICULAR INSURANCE RISK OR CLASS OF RISK IF THE PROVISIONS OF THE POLICY REQUIRE A ONE-TIME DEPOSIT FOR A STATED AMOUNT OF COVERAGE UNLESS:~~

~~(I) THE CANCELLATION IS IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBTITLE; AND~~

~~(II) THE CANCELLATION TAKES EFFECT ON THE ANNIVERSARY DATE OF THE INCEPTION OF THE POLICY.~~

(d) (1) *With respect to automobile liability insurance, an insurer may not:*

*(i) cancel, refuse to renew, or otherwise terminate coverage for an automobile insurance risk because of a claim, traffic violation, or traffic accident that occurred more than 3 years before the effective date of the policy or renewal; or*

*(ii) refuse to underwrite an automobile insurance risk because of a claim, traffic violation, or traffic accident that occurred more than 3 years before the date of application.*

(2) *With respect to homeowner's insurance, an insurer may not:*

*(i) cancel, refuse to renew, or otherwise terminate coverage for a homeowner's insurance risk because of a claim that occurred more than 3 years before the effective date of the policy or renewal; or*

*(ii) refuse to underwrite a homeowner's insurance risk because of a claim that occurred more than 3 years before the date of application.*

~~(3) AN INSURER MAY CANCEL A POLICY OF HOMEOWNER'S INSURANCE UNDER WHICH A ONE-TIME GUARANTEED FULLY REFUNDABLE DEPOSIT IS REQUIRED FOR A STATED AMOUNT OF COVERAGE, IF THE CANCELLATION:~~

~~(I) TAKES EFFECT ON THE ANNIVERSARY DATE OF THE INCEPTION OF THE POLICY;~~

~~(II) IS NOT BASED ON A CLAIM THAT OCCURRED MORE THAN 3 YEARS BEFORE THE ANNIVERSARY DATE OF THE POLICY ON WHICH THE PROPOSED CANCELLATION WOULD TAKE EFFECT; AND~~

~~(III) IS OTHERWISE IN ACCORDANCE WITH THIS SUBTITLE.~~

~~[(3)] (4) [Paragraphs (1) and (2) of this subsection do] THIS SUBSECTION DOES not apply to a claim involving conviction of the insured or applicant for fraud or arson.~~

~~(d) (2) (I) IN THIS PARAGRAPH, "PERPETUAL POLICY" MEANS A POLICY THAT:~~