

ROBERT L. EHRLICH, JR.  
GOVERNOR

ALFRED W. REDMER, JR.  
COMMISSIONER

MICHAEL S. STEELE  
LIEUTENANT GOVERNOR

JAMES V. MCMAHAN, III  
DEPUTY COMMISSIONER

P. TODDCIONI  
ASSOCIATE COMMISSIONER  
COMPLIANCE & ENFORCEMENT

STATE OF MARYLAND  
MARYLAND INSURANCE ADMINISTRATION  
525 St. Paul Place, Baltimore, Maryland 21202-2272  
Writer's Direct Dial: 410-468-2235  
Facsimile Number: 410-468-2306  
e-mail : tcioni@mdinsurance.state.md.us

**BULLETIN 04-10**

Date: June 1, 2004

To: All Property and Casualty Insurers

Re: Termination of Contract Between Insurers and Producers

---

The Maryland Insurance Administration has recently determined that a number of insurers are sending notices of non-renewal and cancellation that do not comply with Section 27-503(c) of the Insurance Article. Section 27-503(c) of the Insurance Article, states:

(c) Termination of insurance producer's contract. -- An insurer may not cancel or refuse to renew a policy of the insured because of the termination of the insurance producer's contract.

In accordance with Maryland law, a policy **cannot** be non-renewed or canceled based on the termination of a producer's contract, regardless of the amount of time since the contract's cancellation.

Any questions about this bulletin should be directed to the Compliance and Enforcement Unit at (410) 468-2323.

---

P. Todd Cioni, Associate Commissioner  
Compliance & Enforcement Unit  
Maryland Insurance Administration