

(3) HAS VIOLATED ANY PROVISION OF TITLE 2 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE OR ANY REGULATION OR RULE OF PROFESSIONAL CONDUCT ESTABLISHED BY THE STATE BOARD OF PUBLIC ACCOUNTANCY; OR

(4) HAS DEMONSTRATED A PATTERN OR PRACTICE OF FAILING TO DETECT OR DISCLOSE MATERIAL INFORMATION IN ANY AUDITED FINANCIAL REPORTS PREVIOUSLY SUBMITTED BY THAT INDIVIDUAL.

(E) (1) SUBJECT TO §§ 2-210 THROUGH 2-215 OF THIS ARTICLE, THE COMMISSIONER MAY HOLD A HEARING TO DETERMINE WHETHER A CERTIFIED PUBLIC ACCOUNTANT IS QUALIFIED.

(2) AFTER CONSIDERING THE EVIDENCE PRESENTED AT THE HEARING, THE COMMISSIONER SHALL RULE ON WHETHER THE ACCOUNTANT IS QUALIFIED FOR PURPOSES OF EXPRESSING AN OPINION ON THE FINANCIAL STATEMENTS IN THE AUDITED FINANCIAL REPORT REQUIRED UNDER § 4-116 OF THIS SUBTITLE.

(3) IF THE COMMISSIONER FINDS THAT THE ACCOUNTANT IS NOT QUALIFIED, THE COMMISSIONER SHALL REQUIRE THE INSURER TO REPLACE THE ACCOUNTANT WITH ANOTHER WHO IS QUALIFIED AS PROVIDED UNDER THIS SECTION.

5-204.

(a) The reserves against loss or damage from accident to or injuries suffered by an employee or other person that must be included in an insurer's annual statement required under this article shall be computed in accordance with this section.

[(b) The reserves for each liability suit being defended shall be:

(1) \$1,500, if the suit is brought under a policy made more than 10 years before the date of the annual statement;

(2) \$1,000, if the suit is brought under a policy made at least 5 but less than 10 years before the date of the annual statement; and

(3) \$850, if the suit is brought under a policy made at least 3 but less than 5 years before the date of the annual statement.]

[(c) (1)] (B) For all liability policies written during the 3 years immediately preceding the date of the annual statement, the reserves shall be 60% of the earned liability premiums of each of the 3 years, less all losses and expense payments made under liability policies written in the corresponding years.

[(2) For the first year of the 3-year period, the reserves may not be less than \$750 for each outstanding liability suit on that year's policies.]

[(d)](C) (1) For all workers' compensation claims under policies written more than 3 years before the date of the annual statement, the reserves shall be the present value at 4% interest of the determined and the estimated future payments.