

(C) ATTORNEYS IN FACT OF RECIPROCAL INSURERS.

WHEN EXAMINING A RECIPROCAL INSURER, THE COMMISSIONER MAY EXAMINE THE ATTORNEY IN FACT OF THE RECIPROCAL INSURER TO THE EXTENT THAT THE TRANSACTIONS OF THE ATTORNEY IN FACT RELATE TO THE RECIPROCAL INSURER.

(D) LIMITATION ON EXAMINATION OF ALIEN INSURERS.

THE COMMISSIONER MAY LIMIT THE EXAMINATION OF AN ALIEN INSURER TO ITS INSURANCE TRANSACTIONS AND AFFAIRS IN THE UNITED STATES.

(E) REPORTS INSTEAD OF EXAMINATIONS.

INSTEAD OF CONDUCTING AN EXAMINATION, THE COMMISSIONER MAY ACCEPT A FULL REPORT, CERTIFIED BY THE INSURANCE SUPERVISORY OFFICIAL OF ANOTHER STATE, OF THE MOST RECENT EXAMINATION OF A FOREIGN INSURER, ALIEN INSURER, OR AN OUT-OF-STATE RATING ORGANIZATION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 30.

In the introductory language of subsection (b) of this section, the phrase "examine the affairs, transactions, accounts, records, and assets" is substituted for the former phrase "in like manner examine" to clarify the meaning of the former phrase and to conform to language used in subsection (a)(1) of this section.

In subsection (b)(2) of this section, the reference to a "license" is added to reflect that a rating organization is required to obtain a license rather than a certificate of authority.

Subsection (d) of this section is revised in the active voice to clarify that the Commissioner may limit the scope of an examination of an alien insurer.

In subsection (e) of this section, the phrase "out-of-state" is added to modify "rating organization" for clarity because a rating organization located in this State would be examined under subsection (b) of this section.

The Insurance Article Review Committee notes, for consideration by the General Assembly, that the reference to the "most recent examination" in subsection (e) of this section is ambiguous. The Administration interprets "recent" to mean within 3 years, consistent with the requirements for examination of domestic insurers under subsection (a) of this section. The General Assembly may wish to consider clarifying the meaning of "most recent examination".

Defined terms: "Alien insurer" § 1-101

"Authorized insurer" § 1-101

"Certificate of authority" § 1-101

"Commissioner" § 1-101

"Domestic insurer" § 1-101