

Defined terms: "Certificate of authority" § 1-101

"Commissioner" § 1-101

"Domestic insurer" § 1-101

"Foreign insurer" § 1-101

"Premium" § 1-101

4-113. DENIALS, REFUSALS TO RENEW, SUSPENSIONS, AND REVOCATIONS.

(A) MANDATORY GROUNDS.

THE COMMISSIONER SHALL DENY A CERTIFICATE OF AUTHORITY TO AN APPLICANT OR REFUSE TO RENEW, SUSPEND, OR REVOKE A CERTIFICATE OF AUTHORITY IF:

- (1) THE ACTION IS REQUIRED BY ANY PROVISION OF THIS ARTICLE;
- (2) THE INSURER NO LONGER MEETS THE REQUIREMENTS FOR THE CERTIFICATE OF AUTHORITY BECAUSE OF A DEFICIENCY IN ASSETS OR ANY OTHER REASON;
- (3) THE BUSINESS OF THE INSURER IS FRAUDULENTLY CONDUCTED;
- (4) THE INSURER IS INSOLVENT, OR ITS ASSETS ARE NOT SUFFICIENT FOR CARRYING ON ITS BUSINESS;
- (5) THE INSURER FAILS TO PAY TAXES ON PREMIUMS REQUIRED UNDER THIS ARTICLE;
- (6) THE INSURER WILLFULLY FAILS TO PROVIDE THE COMMISSIONER WITH REQUIRED INFORMATION ABOUT MEDICAL MALPRACTICE INSURANCE ISSUED BY THE INSURER IN THIS STATE OR ANY OTHER STATE;
- (7) THE ISSUANCE OR RENEWAL OF A CERTIFICATE OF AUTHORITY IS CONTRARY TO THE PUBLIC INTEREST;
- (8) THE COMMISSIONER FINDS THAT THE PRINCIPAL MANAGEMENT PERSONNEL OF THE INSURER IS:
  - (I) UNTRUSTWORTHY OR NOT OF GOOD CHARACTER; OR
  - (II) SO LACKING IN INSURER MANAGERIAL EXPERIENCE AS TO MAKE THE PROPOSED OPERATION HAZARDOUS TO THE INSURANCE-BUYING PUBLIC OR TO THE INSURER'S STOCKHOLDERS; OR
- (9) THE COMMISSIONER HAS GOOD REASON TO BELIEVE THAT THE INSURER IS AFFILIATED, DIRECTLY OR INDIRECTLY, THROUGH OWNERSHIP, CONTROL, MANAGEMENT, REINSURANCE TRANSACTIONS, OR OTHER INSURANCE OR BUSINESS RELATIONS WITH A PERSON WHOSE BUSINESS OPERATIONS ARE OR HAVE BEEN MARKED BY THE MANIPULATION OF ASSETS, ACCOUNTS, OR REINSURANCE OR BY BAD FAITH, TO THE DETRIMENT OF INSURED, STOCKHOLDERS, OR CREDITORS.

(B) DISCRETIONARY GROUNDS.