

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

"Commissioner" § 1-101

"Reciprocal insurer" § 1-101

3-207. SCOPE OF CERTIFICATE OF AUTHORITY.

(A) IN GENERAL.

A CERTIFICATE OF AUTHORITY AUTHORIZES A RECIPROCAL INSURER TO ENGAGE IN ONE KIND OR A COMBINATION OF KINDS OF INSURANCE BUSINESS, EXCEPT FOR LIFE INSURANCE AND HEALTH INSURANCE OTHER THAN AS SUPPLEMENTARY COVERAGE IN POLICIES OF LIABILITY INSURANCE.

(B) REINSURANCE.

A CERTIFICATE OF AUTHORITY AUTHORIZES A RECIPROCAL INSURER TO PURCHASE REINSURANCE AND GRANT REINSURANCE AS TO ANY KIND OF INSURANCE BUSINESS IN WHICH THE RECIPROCAL INSURER IS AUTHORIZED TO ENGAGE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 279.

In subsection (a) of this section, the former phrase "upon qualification according to the provisions of this article" is deleted as implicit because a reciprocal insurer would not hold a certificate of authority unless the reciprocal insurer meets the requirements of this article.

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

"Health insurance" § 1-101

"Insurance" § 1-101

"Insurance business" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

"Reciprocal insurer" § 1-101

"Reinsurance" § 1-101

3-208. DENIALS, SUSPENSIONS, AND REVOCATIONS.

IN ADDITION TO ANY OTHER GROUNDS FOR DENIAL, SUSPENSION, OR REVOCATION OF A CERTIFICATE OF AUTHORITY, THE COMMISSIONER MAY DENY, SUSPEND, OR REVOKE A CERTIFICATE OF AUTHORITY IF THE ATTORNEY IN FACT OF A RECIPROCAL INSURER FAILS TO COMPLY WITH ANY PROVISION OF THIS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 284(b).

The reference to a "den[ial]" of a certificate of authority is substituted for the former reference to a "refus[al]" for consistency with other similar provisions throughout this article.

The Insurance Article Review Committee notes, for the consideration of the