

3. INSURERS: AUTHORIZATION AND GENERAL REQUIREMENTS

42. Certificate of Authority Required; In General.

(1) No person shall act as an insurer and no insurer shall engage in the insurance business in this State except as authorized by a subsisting certificate of authority issued to it by the Commissioner, unless such transactions are expressly otherwise provided for in this article.

(2) No insurer shall have or maintain in Maryland any office, representative, or other facilities for the solicitation or servicing of any kind of insurance in any other state unless it is then authorized to engage in the same kind of insurance business in this State.

43. Exceptions, Certificate of Authority Requirement.

A certificate of authority shall not be required of an insurer with respect to the following:

(1) Transactions relative to its policies lawfully written in Maryland, or liquidation of assets and liabilities of the insurer (other than collection of new premiums), all as resulting from its former authorized operations in Maryland.

(2) Transactions subsequent to issuance of a policy covering only subjects of insurance not resident, located, or expressly to be performed in Maryland at time of issuance, or covering property in the course of transportation by land, air or water to, from or through Maryland and including any preparation or storage incidental thereto, and which coverage was lawfully solicited, written, and delivered outside Maryland.

(3) Transactions pursuant to surplus lines coverages lawfully written pursuant to subtitle 13 of this article.

(4) Reinsurance transactions, except as to domestic reinsurers.

44. General Eligibility of Insurers.

(1) To engage in the insurance business in this State an insurer must be in compliance with this article and with its charter powers, and must be an incorporated stock insurer, or an incorporated mutual insurer, or a reciprocal insurer.

(2) No foreign insurer the voting control or ownership of which is held in whole or substantial part by any government or governmental agency, or which is operated for or by any such government or agency, shall be authorized to engage in the insurance business in this State. Membership in a mutual insurer, or subscribership in a reciprocal insurer, or ownership of stock of an insurer by the alien property custodian or similar official of the United States, or supervision of an insurer by public insurance supervisory authority shall not be deemed to be an ownership, control, or operation of the insurer for the purposes of this subsection.

(3) No Lloyds underwriters shall hereafter be organized in this State and no foreign or alien Lloyds underwriters shall be authorized to engage in an insurance business in this State.

(i) Within the meaning of this subsection, the term "Lloyds