

## CHAPTER 487

(Senate Bill 11)

AN ACT to repeal Section 200 of Article 48A of the Annotated Code of Maryland (1964 Replacement Volume), title "Insurance Code," subtitle "13. Surplus Lines," and to repeal and re-enact, with amendments, Section 201(a) of the said Article of the Code, subtitle "14. Unauthorized Insurers," and to repeal Sections 202 through 211, inclusive, of the said Article and subtitle of the Code, and to enact new Sections 202 through 211A, inclusive, in lieu thereof, to stand in the place of the sections so repealed, to provide for substituted service of process upon both the Secretary of State and the Insurance Commissioner, as to certain insurance companies doing business in this State, to require the payment of premium tax by unauthorized insurers or persons insured by such insurers, and to provide penalties against unauthorized insurers doing insurance business in Maryland.

**SECTION 1.** *Be it enacted by the General Assembly of Maryland,* That Section 200 of Article 48A of the Annotated Code of Maryland (1964 Replacement Volume), title "Insurance Code," subtitle "13. Surplus Lines," be and it is hereby repealed.

**SEC. 2.** *And be it further enacted,* That Section 201(a) of the said Article of the Code, subtitle "14. Unauthorized Insurers," be and it is repealed and re-enacted, with amendments, and that Sections 202 through 211, inclusive, be and they are hereby repealed, and that new Sections 202 through 211A be and they are enacted in lieu thereof, to stand in the place of the sections so repealed, and all to read as follows:

201.

(a) No person shall in this State directly or indirectly act as agent for, or otherwise represent or aid on behalf of another, any insurer not then authorized to transact insurance business in this State, in the solicitation, negotiation or effectuation of insurance or of annuity contracts, inspection of risks, fixing of rates, investigation or adjustment of losses, collection of premiums, or in any other manner in the transaction of insurance business with respect to subjects of insurance resident, located or to be performed in this State.

This section shall not apply to:

(1) Acceptance of service of process. [by the Commissioner under Section 205.]

(2) Surplus lines insurance, and other transactions as to which certificate of authority is not required of an insurer as stated in Section 43.

(3) Reinsurance as authorized by Section 74.

(4) To the services of an adjuster with respect to claims under policies lawfully solicited, issued and delivered outside Maryland.

(5) To the professional services of an attorney at law.