

fine the term "material" as used in this subtitle ~~in subdivision (2) of subsection (b) Section 492, subdivision (e) subsection (b) Section 495, subsection (e) Section 495, subsection (i) Section 495, subdivision (j) Section 495, and elsewhere that said term may be used in this subtitle~~ WHERE THE TERM MAY BE USED either presently or hereafter; and by the repeal of subsection (k) Section 495, to remove the ~~restriction of the definition of said~~ LIMITATION OF THE DEFINITION OF THE term to subsection (k) Section 495 of this subtitle.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 492 of Article 48A of the Annotated Code of Maryland (~~1968 Replacement Volume~~ 1969 SUPPLEMENT) title "Insurance Code," subtitle "Maryland Insurance ~~Acquisition~~ ACQUISITIONS, Disclosure and Control Act," be and it is hereby repealed and re-enacted with amendments to read as follows:

492.

As used in this subtitle, the following terms shall have the respective meanings hereinafter set forth unless the context shall otherwise require:

(a) An "affiliate" is a person that directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under the common control with another person.

(b) "Company" means any corporation, partnership, trust, reciprocal, joint stock company, association, society or similar organization.

(c) "Control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, through the ownership of securities convertible into voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with power to vote, or holds proxies, representing fifteen per cent (15%) or more of the voting securities of any other person; provided, however, that such control shall not be presumed to exist where proxies have been obtained by an official of such person solely in connection with voting at any meeting of the owners of such person. This presumption may be rebutted by showing that control does not exist in fact. Notwithstanding the presumption of control, the Commissioner, upon application of the insurance company, may determine that the insurance company or company is not controlled by the person presumed to control it. In addition, the Commissioner, after notice and an opportunity to be heard, may determine that a person not presumed to have control does control an insurance company or company.

(d) "Department" means the Insurance Department, the Insurance Commissioner or his authorized representative.

(e) "Insurance company or insurer" means a company qualified and licensed by the Department to transact the business of insurance in this State.