[(a) Surplus line brokers shall not knowingly place surplus line insurance with unauthorized insurers who are insolvent or unsound financially.]

(A) NO SURPLUS LINE BROKER SHALL PLACE SURPLUS LINE INSURANCE WITH AN UNAUTHORIZED INSURER WHICH HAS NOT BEEN APPROVED BY THE COMMISSIONER AS A SURPLUS LINE INSURER, OR WHICH HAS BEEN DETERMINED TO BE UNSAFE FINANCIALLY, OR INSOLVENT, BY THE COMMISSIONER PURSUANT TO SUBSECTION (C) HEREOF.

(B) NO INSURER SHALL BE APPROVED AS A SURPLUS LINE INSURER UNTIL IT HAS FILED ANNUALLY WITH THE COMMISSIONER THE FOLLOWING:

(1) A WRITTEN REQUEST TO BE APPROVED AS A SURPLUS LINE INSURER FOR THOSE SURPLUS LINES AUTHORIZED BY THE COMMISSIONER;

(2) A CERTIFIED COPY OF ITS ANNUAL STATEMENT ON CONVENTION FORM, SHOWING THE AMOUNT BY LINE OF SURPLUS LINE BUSINESS WRITTEN ON RISKS LOCATED IN THIS STATE DURING THE PERIOD COVERED BY SAID STATEMENT;

(3) A CERTIFICATE OF COMPLIANCE ISSUED BY THE INSURANCE DEPARTMENT OF THE STATE OF DOMICILE;

(4) A CERTIFICATE OF DEPOSIT ISSUED BY THE OFFICIAL CUSTODIAN OF DEPOSITS OF THE STATE OF DOMICILE.

[(b)] (C) If at any time the Commissioner shall determine, in his judgment, that an [unauthorized] APPROVED SURPLUS LINE insurer is not in a safe or solvent financial condition, or has refused to pay just claims, he shall direct that no [such] insurance shall be placed with such insurer; and upon his written notice to that effect mailed to licensees under this subtitle, thereafter no insurance shall be placed with such insurer.

(D) ANY OTHER PROVISION HEREOF NOTWITHSTANDING, NO SURPLUS LINE BROKER SHALL PLACE SURPLUS LINE INSURANCE WITH AN INSURER WHEN THAT BROKER KNOWS, OR REASONABLY SHOULD HAVE KNOWN, THAT THE INSURER WAS IN AN UNSAFE OR INSOLVENT FINANCIAL CONDITION.

(E) NOTHING CONTAINED IN THIS SUBTITLE SHALL LIMIT OR ABRIDGE THE RIGHT OF A SURPLUS LINE BROKER TO PLACE SURPLUS LINE INSURANCE WITH ALIEN INSURERS THAT HAVE QUALIFIED WITH THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS NON-ADMITTED INSURER INFORMATION OFFICE.