

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
 Section 492(c) and 494(g)(ii)
 Annotated Code of Maryland
 (1979 Replacement Volume and 1980 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 48A - Insurance Code

492.

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

(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 nonmanagement services, or otherwise, WHETHER OR NOT SUCH POWER IS EXERCISED OR SOUGHT TO BE EXERCISED. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies, representing [fifteen] 10 percent [(15%)] or more of the voting securities of any other person. [; provided however, that such] HOWEVER, THE control [shall] MAY 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] ESTABLISHING BY A PREPONDERANCE OF THE EVIDENCE 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.

494.

(g) (ii) Effectuation of or any attempt to effectuate an acquisition of, ACTUAL OR PRESUMED, control of, or merger with, a domestic insurer or insurance holding company which controls one or more domestic insurers within the [sixty-] 60 day period referred to in subsection (e) unless the