

(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 [35%] 10% or more of the voting securities of any other person; however, the control 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 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.

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In this subtitle the following words have the meanings indicated:

(2) (i) "Managing general agent" means any person that:

1. A. Manages all or part of the insurance business of an insurer, including the management of a separate division, department, office, or subsidiary of the insurer; and

B. With or without authority, either separately or together with affiliates, directly or indirectly produces or underwrites gross direct written premium at least equal to 5% of the insurer's policyholder surplus for any one quarter OR YEAR, as reported in the insurer's most recently filed QUARTERLY REPORT OR annual statement; and

2. Either:

A. Negotiates or binds ceding reinsurance contracts on behalf of an insurer;

B. Adjusts or pays claims in excess of \$500; or

C. Maintains loss reserves from which claims payments may be made.

55. REINSURANCE INTERMEDIARIES

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(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ACTUARY" MEANS A PERSON WHO IS A MEMBER IN GOOD STANDING OF THE AMERICAN ACADEMY OF ACTUARIES.