

(5) IT WOULD NOT BE IN THE INTEREST OF POLICYHOLDERS, SHAREHOLDERS, OR THE PUBLIC TO ALLOW THE ACQUIRING PERSON TO CONTROL THE DOMESTIC INSURER BASED ON THE COMPETENCE, EXPERIENCE, AND INTEGRITY OF THE PERSONS THAT WOULD CONTROL THE OPERATIONS OF THE DOMESTIC INSURER;

(6) ANY PARTY TO AN AGREEMENT TO MERGE WITH A DOMESTIC INSURER IS NOT ITSELF AN INSURER; OR

(7) THE INTERESTS OF THE DOMESTIC INSURER'S POLICYHOLDERS AND STOCKHOLDERS MIGHT OTHERWISE BE PREJUDICED, IMPAIRED, OR NOT PROPERLY PROTECTED.

(C) DISAPPROVAL BASED ON COMPETITION IN INSURANCE.

IN DISAPPROVING A TRANSACTION BASED ON A FINDING UNDER SUBSECTION (B)(2) OF THIS SECTION:

(1) THE COMMISSIONER MAY NOT DISAPPROVE A TRANSACTION SUBJECT TO THIS SUBTITLE IF THE COMMISSIONER FINDS THAT ANY OF THE SITUATIONS MEETING THE CRITERIA OF § 7-405(B) OF THIS TITLE EXIST;

(2) THE COMMISSIONER MAY CONDITION THE APPROVAL OF A TRANSACTION SUBJECT TO THIS SUBTITLE ON THE REMOVAL OF THE BASIS OF DISAPPROVAL UNDER SUBSECTION (B)(2) OF THIS SECTION WITHIN A SPECIFIED PERIOD OF TIME; AND

(3) THE DISAPPROVAL IS SUBJECT TO § 7-405(C) OF THIS TITLE AND THE INFORMATIONAL REQUIREMENTS UNDER § 7-403(C) OF THIS TITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 494(a)(3) and (e).

Throughout this section, the phrase "transaction subject to this subtitle" is substituted for former references to "purchases, exchanges, mergers or other acquisitions of control" and "merger or other acquisition" in light of § 7-301 of this subtitle.

In subsection (a) of this section, the former power of the Commissioner to "approve the transaction at any time" during the review period is deleted as implicit.

In subsection (b) of this section, the introductory phrase "[s]ubject to subsection (c) of this section" is added for clarity.

In subsection (b)(1) of this section, the phrase "after the transaction" is substituted for the former phrase "after the change of control ... referred to in subsection (a) of this section" for clarity and consistency.

Also in subsection (b)(1) of this section, the term "certificate of authority" is substituted for the former term "license" to conform to terminology used throughout this article.