

In subsection (h)(1) of this section, the reference to a "controlled insurer" is substituted for the former inaccurate reference to a "controlled insured".

Defined terms: "Commissioner" § 1-101

"Control" § 1-101

"Controlled insurer" § 8-101

"Controlling broker" § 8-101

"Insurance business" § 1-101

"Policy" § 1-101

"Premium" § 1-101

8-106. PLACEMENT OR ACCEPTANCE OF BUSINESS BY REINSURANCE INTERMEDIARY.

(A) "REINSURANCE INTERMEDIARY" DEFINED.

"REINSURANCE INTERMEDIARY" MEANS A PERSON THAT ACTS AS A BROKER IN:

(1) SOLICITING, NEGOTIATING, OR PROCURING A REINSURANCE CONTRACT OR BINDER FOR A CEDING INSURER; OR

(2) ACCEPTING A REINSURANCE CONTRACT OR BINDER FOR AN ASSUMING INSURER.

(B) SCOPE OF SECTION.

THIS SECTION DOES NOT APPLY TO A REINSURANCE INTERMEDIARY THAT MAKES A COMPLETE WRITTEN DISCLOSURE TO THE PARTIES OF ITS RELATIONSHIP WITH THE ASSUMING OR CEDING INSURER BEFORE COMPLETION OF THE TRANSACTION.

(C) PLACEMENT OF BUSINESS WITH ASSUMING INSURER.

A REINSURANCE INTERMEDIARY THAT HAS CONTROL OF AN ASSUMING INSURER MAY NOT DIRECTLY OR INDIRECTLY PLACE INSURANCE BUSINESS WITH THE ASSUMING INSURER IN A TRANSACTION IN WHICH THE REINSURANCE INTERMEDIARY ACTS AS A BROKER FOR THE CEDING INSURER.

(D) ACCEPTANCE OF BUSINESS FROM CEDING INSURER.

A REINSURANCE INTERMEDIARY THAT HAS CONTROL OF A CEDING INSURER MAY NOT DIRECTLY OR INDIRECTLY ACCEPT BUSINESS FROM THE CEDING INSURER IN A TRANSACTION IN WHICH THE REINSURANCE INTERMEDIARY ACTS AS A BROKER FOR THE ASSUMING INSURER.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 661(b) and 663(b).

In subsection (b) of this section, the former word "full", which modified "written disclosure", is deleted as included in the word "complete".