

LOSSES, LOSS ADJUSTMENT, AND ADMINISTRATIVE EXPENSES ON THE INSURANCE BUSINESS PLACED BY THE CONTROLLING BROKER IN EXCESS OF GROSS EARNED PREMIUMS AND INVESTMENT INCOME EARNED ON PREMIUMS AND LOSS RESERVES FOR THE INSURANCE BUSINESS IF THE COMMISSIONER FINDS THAT:

(1) THE CONTROLLING BROKER VIOLATED THIS SUBTITLE; AND

(2) THE VIOLATION SUBSTANTIALLY CONTRIBUTED TO THE INSOLVENCY OF THE CONTROLLED INSURER.

(D) EFFECT OF SECTION.

THIS SECTION DOES NOT AFFECT THE RIGHT OF THE COMMISSIONER TO IMPOSE ANY OTHER PENALTY PROVIDED IN THIS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 664(a).

In subsection (c) of this section, the defined term "insurance business" is substituted for the former reference to "business" for consistency and clarity.

Defined terms: "Commissioner" § 1-101

"Controlled insurer" § 8-101

"Controlling broker" § 8-101

"Insurance business" § 1-101

"Premium" § 1-101

SUBTITLE 2. MANAGING GENERAL AGENTS.

8-201. DEFINITIONS.

(A) IN GENERAL.

IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

REVISOR'S NOTE: This subsection formerly was the introductory language of Art. 48A, § 665.

The only changes are in style.

(B) CERTIFICATE OF QUALIFICATION.

"CERTIFICATE OF QUALIFICATION" MEANS A CERTIFICATE OF QUALIFICATION ISSUED BY THE COMMISSIONER TO ACT AS A MANAGING GENERAL AGENT.

REVISOR'S NOTE: This subsection is new language added to avoid repetition of the phrase "certificate of qualification issued by the Commissioner to act as a managing general agent".

Defined terms: "Commissioner" § 1-101

"Managing general agent" § 8-201

(C) MANAGING GENERAL AGENT.