

Defined terms: "Commissioner" § 1-101

"Insurance" § 1-101

"Insurance contract" § 1-101

"Insurer" § 1-101

"Managing general agent" § 8-201

"Reinsurance" § 1-101

8-210. DUTIES OF INSURER.

(A) INDEPENDENT FINANCIAL EXAMINATIONS.

(1) AN INSURER SHALL MAINTAIN INDEPENDENT FINANCIAL EXAMINATIONS, IN A FORM ACCEPTABLE TO THE COMMISSIONER, OF EACH MANAGING GENERAL AGENT WITH WHOM THE INSURER HAS DONE BUSINESS.

(2) THE INSURER SHALL KEEP RECORDS FOR AT LEAST 5 YEARS.

(B) OPINION OF ACTUARY AS TO LOSS RESERVES.

(1) IF, BY CONTRACT, AN INSURER ALLOWS A MANAGING GENERAL AGENT TO MAINTAIN LOSS RESERVES, THE INSURER ANNUALLY SHALL GET AN OPINION, ATTESTING TO THE ADEQUACY OF THE LOSS RESERVES ESTABLISHED, FROM AN INDEPENDENT ACTUARY WHO IS A MEMBER IN GOOD STANDING OF THE AMERICAN ACADEMY OF ACTUARIES.

(2) THE INSURER SHALL KEEP THE REPORT OF THE ACTUARY FOR AT LEAST 5 YEARS.

(C) ON-SITE REVIEW.

AT LEAST TWICE A YEAR, AN INSURER SHALL CONDUCT AN ON-SITE REVIEW OF THE UNDERWRITING AND CLAIMS PROCESSING OPERATIONS OF ITS MANAGING GENERAL AGENT.

(D) ENTERING INTO OR TERMINATING CONTRACT WITH MANAGING GENERAL AGENT.

(1) WITHIN 30 DAYS AFTER ENTERING INTO OR TERMINATING A CONTRACT WITH A MANAGING GENERAL AGENT, AN INSURER SHALL NOTIFY THE COMMISSIONER IN WRITING OF DOING SO.

(2) THE NOTICE OF ENTERING INTO A CONTRACT SHALL INCLUDE:

(I) A STATEMENT OF THE DUTIES AND RESPONSIBILITIES OF THE MANAGING GENERAL AGENT;

(II) THE LINES OF INSURANCE THAT THE MANAGING GENERAL AGENT IS CONTRACTUALLY AUTHORIZED TO NEGOTIATE, PROCURE, OR BIND FOR THE INSURER;

(III) A COPY OF THE CONTRACT; AND

(IV) ANY OTHER INFORMATION OR DOCUMENTATION THAT THE COMMISSIONER REQUESTS.