

(E) BOARD OF DIRECTORS.

UNLESS THE RELATIONSHIP BETWEEN AN INSURER AND MANAGING GENERAL AGENT IS CONTROLLED BY AND DISCLOSED UNDER TITLE 7, SUBTITLE 6 OR 7 OF THIS ARTICLE, THE INSURER MAY NOT HAVE ON ITS BOARD OF DIRECTORS AN OFFICER, DIRECTOR, EMPLOYEE, AGENT, OR SHAREHOLDER OF ITS MANAGING GENERAL AGENT.

(F) DETERMINATION OF NEW MANAGING GENERAL AGENT.

(1) EACH INSURER SHALL REVIEW ITS BOOKS AND RECORDS EACH QUARTER TO DETERMINE IF ANY AGENT HAS BECOME A MANAGING GENERAL AGENT.

(2) IF THE INSURER DETERMINES THAT AN AGENT HAS BECOME A MANAGING GENERAL AGENT:

(I) THE INSURER PROMPTLY SHALL NOTIFY THE AGENT AND THE COMMISSIONER OF THE DETERMINATION; AND

(II) THE INSURER AND AGENT MUST COMPLY FULLY WITH THE PROVISIONS OF THIS SUBTITLE WITHIN 30 DAYS AFTER THE DETERMINATION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 670 and 665(1).

In subsection (b)(2) of this section, the phrase "of the actuary" is added to modify the word "report" to clarify that the report is the opinion of the actuary required by subsection (b)(1) of this section.

Defined terms: "Commissioner" § 1-101

"Insurance" § 1-101

"Insurer" § 1-101

"Managing general agent" § 8-201

8-211. ACTS OF MANAGING GENERAL AGENT DEEMED ACTS OF INSURANCE; INSOLVENCY OF MANAGING GENERAL AGENT.

(A) ACTS OF MANAGING GENERAL AGENT DEEMED ACTS OF INSURER.

THE ACTS OF A MANAGING GENERAL AGENT ARE DEEMED TO BE THE ACTS OF THE INSURER FOR WHOM THE MANAGING GENERAL AGENT IS ACTING.

(B) INSOLVENCY OF MANAGING GENERAL AGENT.

IF A MANAGING GENERAL AGENT BECOMES INSOLVENT, THE OBLIGATIONS OF THE MANAGING GENERAL AGENT WITH RESPECT TO POLICYHOLDERS OF AN INSURER SHALL BE ASSUMED BY THAT INSURER.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 672 and 671(a).

Defined terms: "Insurer" § 1-101

"Managing general agent" § 8-201