

(2) HAS DELEGATED BINDING AUTHORITY TO ITS REPRESENTATIVE, IF THE REINSURANCE BROKER, WHILE ACTING FOR A CEDING AUTHORIZED INSURER, PROCURES A REINSURANCE CONTRACT FROM A REPRESENTATIVE, OTHER THAN AN EMPLOYEE, OF AN ASSUMING REINSURER.

(D) ACCESS TO ACCOUNTS AND RECORDS.

(1) AN AUTHORIZED INSURER SHALL HAVE REASONABLE ACCESS TO AND THE RIGHT TO COPY AND AUDIT ALL ACCOUNTS AND RECORDS MAINTAINED BY THE REINSURANCE BROKER THAT RELATE TO BUSINESS TRANSACTIONS WITH THE AUTHORIZED INSURER.

(2) THE REINSURANCE BROKER SHALL MAINTAIN ACCOUNTS AND RECORDS IN A FORM USABLE BY THE AUTHORIZED INSURER.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 724.

In subsection (a) of this section, the reference to a contract of reinsurance "transacted by the reinsurance broker" is added for clarity.

In subsection (b)(4) of this section, the reference to a "rate" is substituted for the former reference to "rates" for consistency with § 8-516(b)(4) of this subtitle and the Reinsurance Intermediary Model Act, from which this section is derived.

Subsection (d) of this section is revised to clarify the duty of a reinsurance broker to maintain its accounts and records in a form usable by an authorized insurer.

Defined terms: "Authorized insurer" § 1-101

"Premium" § 1-101

"Reinsurance" § 1-101

"Reinsurance broker" § 8-501

"Reinsurer" § 8-501

8-515. CONTRACTS BETWEEN REINSURANCE MANAGERS AND REINSURERS.

(A) IN GENERAL.

(1) A PERSON MAY NOT ACT AS A REINSURANCE MANAGER FOR A REINSURER WITHOUT A WRITTEN CONTRACT THAT:

(I) STATES THE RESPONSIBILITIES OF THE REINSURANCE MANAGER AND THE REINSURER; AND

(II) IS APPROVED BY THE BOARD OF DIRECTORS OF THE REINSURER.

(2) A REINSURANCE MANAGER MAY NOT ASSIGN THE CONTRACT REQUIRED UNDER THIS SECTION.

(B) FILING WITH COMMISSIONER.