

In subsection (b)(5) of this section, the reference to "assuming" reinsurers is added to conform to the terminology used in subsection (c) of this section and in § 8-514(b)(5) of this subtitle.

Defined terms: "Authorized insurer" § 1-101

"Premium" § 1-101

"Reinsurance" § 1-101

"Reinsurance manager" § 8-501

"Reinsurer" § 8-501

8-517. ACTS OF REINSURANCE MANAGER.

THE ACTS OF A REINSURANCE MANAGER ARE CONSIDERED TO BE THE ACTS OF THE REINSURER ON WHOSE BEHALF THE REINSURANCE MANAGER IS ACTING.

REVISOR'S NOTE: This section formerly was Art. 48A, § 729.

The reference to the acts of the reinsurer on whose behalf "the reinsurance manager" is acting is substituted for the former reference to the acts of the reinsurer on whose behalf "it" is acting for clarity.

The only other changes are in style.

Defined terms: "Reinsurance manager" § 8-501

"Reinsurer" § 8-501

8-518. RESTRICTIONS ON ACTIVITIES OF REINSURANCE MANAGER.

(A) IN GENERAL.

A REINSURANCE MANAGER:

(1) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, MAY NOT CEDE RETROCESSIONS FOR A REINSURER;

(2) MAY NOT COMMIT A REINSURER TO PARTICIPATE IN REINSURANCE SYNDICATES;

(3) MAY NOT APPOINT OR HIRE AN AGENT TO SOLICIT, PROCURE, OR NEGOTIATE REINSURANCE CONTRACTS FOR A REINSURER WITHOUT ENSURING THAT THE AGENT IS QUALIFIED UNDER TITLE 10, SUBTITLE 1 OF THIS ARTICLE;

(4) MAY NOT TAKE AN ACTION THAT WOULD CONSTITUTE A VIOLATION OF § XX-XXX [ART. 48A, § 234B] OF THIS ARTICLE IF TAKEN DIRECTLY BY A REINSURER;

(5) WITHOUT THE REINSURER'S PRIOR WRITTEN APPROVAL, MAY NOT PAY OR COMMIT A REINSURER TO PAY A CLAIM, NET OF REINSURANCE, THAT EXCEEDS THE LESSER OF 1% OF THE REINSURER'S POLICYHOLDER SURPLUS AS OF THE PRECEDING CALENDAR YEAR AND AN AMOUNT SPECIFIED BY THE REINSURER;

(6) SUBJECT TO SUBSECTION (B) OF THIS SECTION AND WITHOUT THE REINSURER'S PRIOR WRITTEN APPROVAL: