

10-118. APPOINTMENTS AND TERMINATIONS.

(A) IN GENERAL.

(1) WHEN AN INSURER DOING BUSINESS IN THE STATE MAKES OR TERMINATES AN APPOINTMENT, THE INSURER IMMEDIATELY SHALL:

(I) FILE WITH THE COMMISSIONER WRITTEN NOTICE OF THE APPOINTMENT OR TERMINATION; AND

(II) PAY TO THE COMMISSIONER THE APPLICABLE FEE REQUIRED BY § 2-112 OF THIS ARTICLE.

(2) THE COMMISSIONER MAY REQUIRE AN INSURER THAT TERMINATES AN APPOINTMENT TO FILE A STATEMENT OF FACTS ABOUT THE TERMINATION, INCLUDING THE DATE AND CAUSE OF THE TERMINATION.

(3) A DISCLOSURE TO THE COMMISSIONER RELATIVE TO THE TERMINATION AND DATE AND CAUSE OF THE TERMINATION IS A PRIVILEGED COMMUNICATION AND MAY NOT BE USED AS EVIDENCE IN A COURT PROCEEDING OTHER THAN AN APPEAL FROM AN ACTION OF THE COMMISSIONER.

(4) THE APPOINTMENT AND APPOINTMENT FEE PROVISIONS OF THIS SUBSECTION DO NOT APPLY TO AGENTS WITH AN APPOINTMENT FROM AN INSURER ON JUNE 30, 1985.

(B) APPLICATION FROM AGENT WITHOUT APPOINTMENT.

WITHIN 30 DAYS AFTER AN INSURER RECEIVES AN APPLICATION FOR LIFE INSURANCE, HEALTH INSURANCE, OR AN ANNUITY FROM AN AGENT THAT DOES NOT HAVE AN APPOINTMENT FROM THE INSURER, THE INSURER SHALL:

(1) REJECT THE APPLICATION IN ACCORDANCE WITH § XX-XXX [48A § 234A] OF THIS ARTICLE; OR

(2) FILE WITH THE COMMISSIONER WRITTEN NOTICE OF APPOINTMENT UNDER SUBSECTION (A) OF THIS SECTION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 169 and 167(c)(4).

In subsection (a)(3) of this section, the former word "action" is deleted as included in the word "proceeding".

Defined terms: "Agent" § 1-101

"Annuity" § 1-101

"Appointment" § 1-101

"Commissioner" § 1-101

"Health insurance" § 1-101

"Insurer" § 1-101

"Life insurance" § 1-101