

(II) IS A RESIDENT OF THIS STATE;

(III) IS COMPENSATED BY COMMISSIONS ON POLICIES SUBJECT TO THIS SECTION; AND

(IV) IS NOT AN EMPLOYEE OR OFFICER OF THE INSURER ISSUING THE POLICY.

(2) THIS SECTION DOES NOT PREVENT AN AGENT FROM:

(I) DELEGATING THE DUTY OF SIGNING OR COUNTERSIGNING TO EMPLOYEES OF THE AGENT THAT ARE NOT ALSO EMPLOYEES OF LENDING INSTITUTIONS; OR

(II) DIRECTING THE PAYMENT OF COMMISSIONS ON POLICIES SUBJECT TO THIS SECTION TO A CORPORATION OR PARTNERSHIP INSURANCE AGENCY OR OTHERWISE.

(E) PREREQUISITE TO COUNTERSIGNATURE.

AN AGENT MAY NOT COUNTERSIGN A POLICY OR ENDORSEMENT UNLESS THE POLICY OR ENDORSEMENT STATES, AS APPLICABLE:

(1) THE RATES OR PREMIUMS;

(2) A DESCRIPTION OF THE PROPERTY INSURED; AND

(3) THE NAME AND ADDRESS OF THE INSURED.

(F) COMMISSIONS.

IF THE LAW OF ANOTHER STATE REQUIRES AN AGENT THAT IS A RESIDENT OF THAT STATE TO KEEP PART OF THE COMMISSION PAID ON A POLICY WRITTEN, COUNTERSIGNED, OR DELIVERED BY THE AGENT IN THAT STATE ON REQUEST OF A NONRESIDENT AGENT OR NONRESIDENT BROKER OF THAT STATE, AN AGENT THAT IS A RESIDENT OF THIS STATE AND THAT SIGNS OR COUNTERSIGNS A POLICY WRITTEN BY AN AGENT THAT IS A RESIDENT OF THE OTHER STATE AND QUALIFIED AS A NONRESIDENT AGENT IN THIS STATE COVERING A SUBJECT OF INSURANCE RESIDENT, LOCATED, OR TO BE PERFORMED IN THIS STATE SHALL KEEP AN EQUAL PRO RATA PART OF ANY COMMISSION ON THE POLICY.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 59.

In subsection (a)(9)(i) of this section, the reference to the "Maryland Automobile Insurance Fund" is substituted for the former reference to the "Maryland automobile insurance plan" for clarity.

In subsection (b) of this section, the former word "modify" is deleted as included in the word "alter".

In subsections (c)(2)(ii) and (f) of this section, the former references to "regulations" are deleted as included in the references to "law".