

REVISOR'S NOTE: This section is new language derived without substantive change from former CA § 6-505.

In subsection (a) of this section, the reference to providing the Commissioner with "specific information" concerning a promotion is substituted for the former reference to providing the Commissioner "with every particular" for clarity.

Defined terms: "Commissioner" § 1-101

"Insurance business" § 1-101

"Mutual insurer" § 1-101

"Person" § 1-101

"Policy" § 1-101

"Premium" § 1-101

"State" § 1-101

3-106. ASSETS REQUIRED FOR MUTUAL INSURER — IN GENERAL.

TO QUALIFY FOR A CERTIFICATE OF AUTHORITY TO ENGAGE IN THE INSURANCE BUSINESS, A MUTUAL INSURER MUST:

(1) MEET THE REQUIREMENTS OF § 3-105 OF THIS SUBTITLE; AND

(2) HAVE RECEIVED APPLICATIONS AND COLLECTED CASH PREMIUMS IN AN AMOUNT THAT, WHEN ADDED TO ANY OTHER LEGALLY AVAILABLE FUNDS, RESULTS IN UNENCUMBERED ASSETS GREATER THAN ALL REQUIRED RESERVES AND OTHER LIABILITIES AT LEAST EQUAL TO THE AMOUNT REQUIRED BY:

(I) SECTIONS 4-104 AND 4-105 OF THIS ARTICLE, IF THE MUTUAL INSURER WILL BE AUTHORIZED TO ENGAGE IN INSURANCE BUSINESS ON A NONASSESSABLE BASIS; OR

(II) SECTION 3-107 OF THIS SUBTITLE, IF THE MUTUAL INSURER WILL BE AUTHORIZED TO ENGAGE IN INSURANCE BUSINESS ON AN ASSESSABLE BASIS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 252(a).

In item (2) of this section, the term "bona fide", which formerly modified "applications", is deleted as surplusage.

Defined terms: "Certificate of authority" § 1-101

"Insurance business" § 1-101

"Mutual insurer" § 1-101

3-107. SAME — ENGAGING IN BUSINESS ON ASSESSABLE BASIS.

(A) IN GENERAL.