

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 253.

In subsection (a) of this section, the reference to meeting all "applicable" requirements of this article is added for clarity.

In subsection (b)(1) of this section, the term "bona fide", which formerly modified "applications", is deleted as surplusage.

In subsection (e)(1) of this section, the general reference to insurance business "allowed to be written on an assessable basis under this article" is substituted for the former specific reference to insurance business "prohibited under Sections 252 and 369" for clarity and to eliminate a superfluous cross-reference.

Defined terms: "Casualty insurance" § 1-101

"Commissioner" § 1-101

"County" § 1-101

"Insurance" § 1-101

"Insurance business" § 1-101

"Mutual insurer" § 1-101

"Policy" § 1-101

"Premium" § 1-101

"Property insurance" § 1-101

"Reinsurance" § 1-101

### 3-108. ENGAGING IN ADDITIONAL KINDS OF INSURANCE BUSINESS.

AFTER BEING AUTHORIZED TO ENGAGE IN ONE KIND OF INSURANCE BUSINESS, A MUTUAL INSURER MAY BE AUTHORIZED BY THE COMMISSIONER TO ENGAGE IN ADDITIONAL KINDS OF INSURANCE BUSINESS AS ALLOWED BY § 4-111 OF THIS ARTICLE IF THE MUTUAL INSURER OTHERWISE COMPLIES WITH THIS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 255.

Defined terms: "Commissioner" § 1-101

"Insurance business" § 1-101

"Mutual insurer" § 1-101

### 3-109. IMPAIRMENT OF REQUIRED SURPLUS.

#### (A) NOTICE OF DEFICIENCY.

IF THE MINIMUM SURPLUS OF A STOCK INSURER REQUIRED TO BE MAINTAINED BY § 4-105 OF THIS ARTICLE BECOMES IMPAIRED, OR IF THE ASSETS OF A MUTUAL INSURER ARE LESS THAN ITS LIABILITIES AND THE MINIMUM AMOUNT OF SURPLUS REQUIRED TO BE MAINTAINED BY §§ 3-106 AND 3-107 OF THIS SUBTITLE FOR AUTHORITY TO ENGAGE IN THE KINDS OF INSURANCE BUSINESS BEING TRANSACTED, THE COMMISSIONER IMMEDIATELY SHALL:

- (1) DETERMINE THE AMOUNT OF DEFICIENCY; AND