

AN INSURANCE CONTRACT PROCURED AS SURPLUS LINES COVERAGE FROM AN UNAUTHORIZED INSURER IN ACCORDANCE WITH THIS SUBTITLE IS VALID AND ENFORCEABLE AS TO ALL PARTIES AND SHALL BE ACCEPTED AND RECOGNIZED IN ALL MATTERS AND RESPECTS TO THE SAME EFFECT AS LIKE INSURANCE CONTRACTS ISSUED BY AUTHORIZED INSURERS.

(B) INSURANCE CONTRACT IN VIOLATION OF SUBTITLE.

AN INSURANCE CONTRACT ENTERED INTO IN VIOLATION OF THIS SUBTITLE MAY BE ENFORCED BY THE INSURED IN ACCORDANCE WITH THE TERMS OF THE INSURANCE CONTRACT.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 187.

In subsection (a) of this section, the word "fully", which formerly modified "valid", is deleted as surplusage.

In subsection (b) of this section, the former reference to "his rights" is deleted as surplusage.

Also in subsection (b) of this section, the former word "provisions" is deleted as unnecessary in light of the word "terms".

Defined terms: "Authorized insurer" § 1-101

"Insurance contract" § 1-101

"Unauthorized insurer" § 1-101

3-310. CERTIFICATE OF QUALIFICATION REQUIRED FOR SURPLUS LINES BROKER.

A PERSON MUST OBTAIN A CERTIFICATE OF QUALIFICATION TO ACT AS A SURPLUS LINES BROKER BEFORE THE PERSON ACTS AS A SURPLUS LINES BROKER IN THE STATE.

REVISOR'S NOTE: This section is new language added to state expressly that which only was implied in the former law, i.e., a person must obtain a certificate of qualification before the person acts as a surplus lines broker in the State.

Defined term: "Person" § 1-101

3-311. QUALIFICATIONS OF APPLICANTS.

AN APPLICANT FOR A CERTIFICATE OF QUALIFICATION MUST BE:

(1) QUALIFIED AS A BROKER FOR PROPERTY INSURANCE, CASUALTY INSURANCE, AND SURETY INSURANCE; AND

(2) COMPETENT AND TRUSTWORTHY, AS DETERMINED BY THE COMMISSIONER.

REVISOR'S NOTE: This section is new language derived without substantive change from the introductory language of former Art. 48A, § 188.