

(2) A CERTIFIED COPY OF ITS ANNUAL STATEMENT, ON CONVENTION FORM, THAT SHOWS THE AMOUNT BY LINE OF SURPLUS LINES BUSINESS WRITTEN ON RISKS LOCATED IN THE STATE DURING THE PERIOD COVERED BY THE ANNUAL STATEMENT;

(3) A CERTIFICATE OF COMPLIANCE ISSUED BY THE INSURANCE DEPARTMENT OF THE INSURER'S STATE OF DOMICILE; AND

(4) A CERTIFICATE EVIDENCING A DEPOSIT ISSUED BY THE OFFICIAL CUSTODIAN OF DEPOSITS OF THE INSURER'S STATE OF DOMICILE.

(B) SERVICE OF PROCESS.

AN UNAUTHORIZED INSURER SHALL APPOINT IN WRITING THE COMMISSIONER AS AGENT FOR THE ACCEPTANCE OF SERVICE OF PROCESS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 190(b) and, as it related to appointing the Commissioner as agent for service of process, § 197.

Defined terms: "Commissioner" § 1-101

"Insurer" § 1-101

"State" § 1-101

"Unauthorized insurer" § 1-101

3-319. PLACEMENT OF SURPLUS LINES INSURANCE PROHIBITED.

(A) IN GENERAL.

A SURPLUS LINES BROKER MAY NOT PLACE SURPLUS LINES INSURANCE WITH AN UNAUTHORIZED INSURER THAT:

(1) HAS NOT BEEN APPROVED BY THE COMMISSIONER AS A SURPLUS LINES INSURER;

(2) HAS BEEN DETERMINED BY THE COMMISSIONER TO BE INSOLVENT OR UNSAFE FINANCIALLY UNDER SUBSECTION (B) OF THIS SECTION; OR

(3) HAS BEEN DETERMINED BY THE COMMISSIONER TO HAVE REFUSED TO PAY JUST CLAIMS.

(B) UNSAFE FINANCIAL CONDITION OR REFUSAL TO PAY CLAIMS.

(1) THE COMMISSIONER SHALL DIRECT THAT SURPLUS LINES INSURANCE MAY NOT BE PLACED WITH A SURPLUS LINES INSURER THAT HAS BEEN APPROVED BY THE COMMISSIONER IF THE COMMISSIONER DETERMINES THAT THE SURPLUS LINES INSURER:

(I) IS NOT IN A SAFE OR SOLVENT FINANCIAL CONDITION; OR

(II) HAS REFUSED TO PAY JUST CLAIMS.