

IN ADDITION TO THE MINIMUM CAPITAL STOCK REQUIRED BY § 4-104 OF THIS SUBTITLE, TO QUALIFY FOR AN INITIAL CERTIFICATE OF AUTHORITY TO ENGAGE IN ONE KIND OR A COMBINATION OF KINDS OF INSURANCE BUSINESS, AN INSURER MUST HAVE SURPLUS ASSETS OR FUNDS IN AN AMOUNT NOT LESS THAN 150% OF THE MINIMUM CAPITAL STOCK REQUIRED.

(B) CONTINUED AUTHORITY — BUSINESS STARTED ON OR AFTER JULY 1, 1966.

FOR AUTHORITY TO CONTINUE IN THE INSURANCE BUSINESS, IN ADDITION TO THE MINIMUM CAPITAL STOCK REQUIRED BY § 4-104 OF THIS SUBTITLE, AN INSURER THAT STARTED BUSINESS IN THE STATE ON OR AFTER JULY 1, 1966, MUST MAINTAIN SURPLUS ASSETS OR FUNDS IN AN AMOUNT NOT LESS THAN 100% OF THE MINIMUM CAPITAL STOCK REQUIRED.

(C) SAME — BUSINESS STARTED ON OR BEFORE JUNE 30, 1966.

(1) FOR AUTHORITY TO CONTINUE IN THE INSURANCE BUSINESS, IN ADDITION TO THE MINIMUM CAPITAL STOCK REQUIRED BY § 4-104 OF THIS SUBTITLE, AN INSURER THAT STARTED BUSINESS IN THE STATE ON OR BEFORE JUNE 30, 1966:

(I) MUST MAINTAIN SURPLUS ASSETS OR FUNDS IN AN AMOUNT NOT LESS THAN 50% OF THE MINIMUM CAPITAL STOCK REQUIRED; AND

(II) IF AUTHORIZED TO WRITE VEHICLE LIABILITY INSURANCE, MUST MAINTAIN SURPLUS ASSETS OR FUNDS IN AN AMOUNT NOT LESS THAN \$300,000, WHETHER OR NOT THE INSURER ALSO IS AUTHORIZED TO WRITE OTHER KINDS OF INSURANCE.

(2) THE COMBINED AMOUNT OF SURPLUS REQUIRED BY ITEMS (I) AND (II) OF PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED THE AMOUNT OF SURPLUS REQUIRED BY SUBSECTION (B) OF THIS SECTION OF AN INSURER AUTHORIZED ON OR AFTER JULY 1, 1966, TO TRANSACT THE SAME KINDS OF INSURANCE BUSINESS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 49.

In subsections (b) and (c)(1) of this section, the phrases "[f]or purposes of this article" are deleted as surplusage.

In subsection (c)(1) of this section, the phrase "on or before June 30" is substituted for the former phrase "before July 1" for clarity and to conform to comparable provisions in this and other revised articles of the Code.

Also in subsection (c)(1) of this section, the first sentence of former Art. 48A, § 49(4), as it related to the amounts of additional surplus required between December 31, 1966, and December 30, 1973, for an insurer licensed for the sale of vehicle liability insurance, is deleted as obsolete.